COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

ADJUSTMENT OF RATES OF GENERAL) CASE NO. 8859

ORDER

On July 15, 1983, General Telephone Company of Kentucky ("General") filed its notice with the Commission seeking to increase its rates and charges effective August 4, 1983, to produce an annual increase in revenue of \$31,342,362, an increase of approximately 22.7 percent. General stated that the increase was necessary to offset increased operating and capital costs and to provide sufficient capital recovery through increased depreciation rates. General later amended its proposed increase to \$25,522,187.

In order to determine the reasonableness of the request, the Commission suspended the proposed rates and charges for 5 months after the effective date and scheduled a public hearing for November 9, 1983. On October 27, 1983, a public meeting was held in the Lexington-Fayette Urban County Government building, Lexington, Kentucky, to receive public comments and testimony regarding the proposed increase.

Motions to intervene in this matter were filed by the Attorney General's Consumer Protection Division ("AG"), Lexington-Payette Urban County Government ("Urban County"), the

City of Berea, the Kentucky Association of Radio Common Carriers, BEEP-ALERT of Kentucky, Inc., Reo-Cap, Inc., and the Citizens Utility Board of Kentucky, Inc. These motions were granted and no other parties formally intervened.

The hearings for the purpose of cross-examination of the witnesses of General and the intervenors were held in the Commission's offices in Frankfort, Kentucky, on November 9 through 11, 1983. Briefs were filed with the Commission by December 9, 1983, and all information requested during the hearing has been filed.

General filed supplemental schedules during and after the hearing resulting in a revised requested increase of \$25,522,187. This Order addresses the Commission's findings and determinations on issues presented and disclosed in the hearings and investigation of General's revenue requirements and rate designs and provides rates and charges that will produce an increase in annual revenues of \$3,894,169.

ANAYLSIS AND DETERMINATIONS

TEST PERIOD

General proposed and the Commission has accepted the 12-month period ending April 30, 1983, as the test period in this matter.

VALUATION METHODS

Net Investment

General proposed a Kentucky intrastate net investment rate base of \$295,030,110 $\frac{1}{2}$ at April 30, 1983. The Commission has accepted the proposed rate base with the following exceptions:

Known Adjustment to Telephone Plant

General proposed to increase its year-end intrastate rate base by $$14.205.372^{2}$ / to include additions to plant for which it had made contractual commitments to purchase prior to April, 1983. A similar adjustment was also proposed and subsequently denied in General's last case, Case No. 8045, Adjustment of Rates of General Telephone Company of Kentucky. In order to reflect the effects of this adjustment on its local service revenue and operating expenses, General proposed to increase its test period intrastate net operating income by \$1,245,811.3/ This adjustment was calculated by applying General's adjusted test period rate of return to the committed additions. During the hearing General's witness, Mr. John P. Blanchard, who at the time of General's filing was employed as Controller and is presently employed by the GTE Service Corporation, stated that it would be appropriate to further adjust this proposed increase to intrastate net operating income to reflect the rate of return granted by this Commission.4 Thus, the income effect would be zero and the adjustments would produce no additional revenue requirements.

The Commission is of the opinion that the results of this type of adjustment with the use of historical test period are speculative and thus do not meet the Commission's criterion of being known and measurable since the inclusion of out-of-period additions to the rate base even with offsetting income adjustments could result in General being permitted the ability to achieve earnings greater than the return found fair in in this Order. Therefore, the proposed adjustment is hereby denied.

Cash Working Capital

General proposed to include an intrastate cash working capital allowance of \$672.2015/ as a component of its rate base. This allowance was determined by utilizing the test period average cash balances in General's bank accounts. Mr. Blanchard stated that General had not performed any lead-lag studies in an effort to determine the necessity and amount of a cash working capital allowance. $\frac{6}{}$ Mr. Blanchard did agree that the primary need for cash working capital allowance was the timing difference between providing service and collecting for it. 7/ General bills in local service, which during the test period advance for constituted approximately 66.36 percent of its total operating revenues. 8/ Thus, the timing difference between the collection of revenues and the rendering of service for local service, according to Mr. Blanchard, "Nets close to zero." Therefore, this adjustment can only be construed as General requiring its local service customers to subsidize its toll service operations, for which General bills in arrears.

The Commission is of the opinion that absent a lead-lag study to verify the necessity of a cash working capital allowance being supported by local service customers, such an adjustment cannot be supported. Therefore, the Commission has denied this component of General's net investment rate base.

Station Connection Expensing

General proposed to decrease its intrastate rate base by \$2,163,381, in order to reflect the flash-cut expensing of station

connections. The Commission has rejected this proposed adjustment and will address it further in another section of this Order.

Normalized Taxes

General proposed to decrease its intrastate rate base by $1.715.177\frac{10}{}$ for the normalization of its income taxes. The adjustment has been rejected by the Commission and is addressed further in another section of this Order.

Further the Commission has increased General's rate base by \$128,311 to reflect the first year's amortization of excess deferred taxes addressed in more detail later in this Order.

Based upon the above adjustments, the Commission finds the appropriate intrastate net investment rate base in this case is \$284,159,406, calculated as follows:

Telephone Plant in Service Plant Under Construction Plant Held for Future Use Subtotal	\$408,853,211 19,439,325 10,743 \$428,303,279
Add:	
Materials and Supplies Prepayments Subtotal	\$ 2,733,260 276,379 \$ 3,009,639
Less:	
Depreciation Reserve Deferred Income Taxes Investment Tax Credit-Preterm Subtotal	\$108,869,618 38,191,341 92,553 \$147,153,512
Net Investment	\$284,159,406

Capital Structure

Mr. John C. Dunn, of Drees Dunn and Company, and Mr. Jerry L. Austin, Treasurer of General Telephone Company of Kentucky and

General Telephone Company of the Southeast, were witnesses for General and made recommendations as to the appropriate capital structure for General. Both recommended use of pro forma capital ratios, as of December 31, 1983, of 45.11 percent common equity, 3.85 percent preferred stock, 42.18 percent long-term debt, 1.03 percent debentures, .77 percent short-term debt and 7.06 percent Job Development Investment Tax Credits ("JDIC").11/ These ratios reflect the upcoming issuance of \$10,000,000 of common equity, \$25,000,000 of new long-term debt, retirement of portions of short-term debt, reduction of preferred stock due to sinking fund requirements and the inclusion of pro forma retained earnings for 1983.12/ The above changes were to occur after the end of the test year. In Case No. 8917, Application of General Telephone For An Order Authorizing the Issuance and Sale of Securities, the Commission authorized General to issue and sell \$10,000,000 of common equity and \$25,000,000 of new long-term debt. The proceeds were to be used to retire short-term debt. 13/ Dr. Caroline M. Smith, Senior Consultant with J. W. Wilson & Associates, Inc., and witness for the AG, proposed a capital structure containing 45.9 percent common equity, 4.1 percent preferred stock and 50 percent debt. 14/ She accepted General's proposed pro forma capital structure, except she allocated JDIC proportionally among the capital structure components. Usually, the Commission finds the end-of-test-year capital structure to be reasonable. case, however, the pro forma adjustments proposed by General are known, measurable and reasonable, and should be accepted for rate-making purposes.

General had a Kentucky combined capital base excluding JDIC of \$347,464,000 as of April 30, 1983. The Commission had reduced this amount by \$1,127,622, the amount of General's non-utility investment, the majority of which is investment related to General's deregulated sales of customer premises equipment. 15/
The total company capital has been allocated to intrastate operations based on the ratio of intrastate net investment to combined net investment of .7238 resulting in intrastate capital of \$250,678,271. This amount has been further adjusted to reflect the inclusion of General's portion of intrastate JDIC of \$21,086,892 for an intrastate capital amount of \$271,765,162 as follows:

	Intrastate	Structure
Common Equity	\$131,914,810	48.54%
Preferred Stock	11,251,078	4.148
Long-Term Debt	126,343,624	46.49%
Short-Term Debt	2,255,650	.83%
	\$271,765,162	100.00%

In the above calculation, the Commission has allocated the balance of JDIC to the other capital components based on their relative weights to total capital excluding JDIC. This method is consistent with the Internal Revenue Service regulations concerning this issue and in further calculations assigns the overall cost of capital to JDIC.

REVENUES AND EXPENSES

During the test period ending April 30, 1983, General had intrastate operating income of \$32,045,491.16/ In order to reflect current operating conditions, General proposed several

adjustments that resulted in an adjusted test period intrastate net operating income of \$25,562,717. The Commission has determined the appropriate level of adjusted test period net operating income to be \$29,444,434. As previously discussed, the Commission has rejected the income adjustment of \$1,245,811 related to the proposed plant additions. The Commission is of the opinion that, with the following exceptions set out in this section of the Order, the remaining adjustments are proper.

Under a separations agreement entered into between General and South Central Bell ("SCB") a portion of the operating expenses incurred by General are allocated to the cost of providing intrastate toll operations. Under the terms of the separations agreement, this cost is then refunded by SCB to General. The effects of this intrastate toll agreement have been included in determining the net operating income effect of each of the following adjustments. Moreover, each adjustment is calculated showing the income tax expense effect.

Depreciation Expense Changes

In its filing for adjustment of rates, General included the effects of increased expense due to proposed changes in its depreciation rates for various categories of plant equipment. The study associated with the revised depreciation rates was filed on June 28, 1983, using 1982 end-of-year account balances. The depreciation study was made subject to the Commission's regulation (807 KAR 5:064), which sets out a methodology for periodically reviewing and setting a telephone utility's depreciation rates through the process of represcription by the Commission.

The subject regulation specifies that an initial meeting be held following the filing of a depreciation study. Two such meetings were held, first on July 26, 1983, and subsequently on August 23, 1983. At the meeting Commission staff posed several questions which were answered by written responses filed September 7, 1983, and September 15, 1983. A meeting was held on November 16-17, 1983, at which time a tentative agreement was reached between General and Commission staff concerning appropriate parameters for each plant account.

On November 28, 1983, notice was sent to each party in the current rate proceeding outlining the tentative agreement and inviting comment as specified in 807 KAR 5:064. No comments were filed during the specified 30-day period. Since agreement was reached on all plant accounts, and no objections were raised, the Commission approved the revised rates. General was advised by letter dated December 29, 1983, that it had the authority to begin booking the revised rates effective January 1, 1984.

General originally proposed depreciation rates which would increase annual depreciation expense by \$8,153,294 on an intrastate basis. The settlement agreement referenced herein would increase annual depreciation expense by \$3,716,703 and is the amount which has been included in operating expenses for rate-making purposes.

Local Service Revenues

General proposed to reduce its test period local service revenues by \$602,340. The AG opposed this adjustment. This adjustment was made by comparing actual test period revenues with

annualized fourth quarter test period revenues. This Commission has conducted an extensive review of this method of normalizing General's operations. An analysis of General's local service revenues by subaccount for the test period indicates that General has been experiencing a decline in local service revenue, most likely due to customers providing their own premises equipment rather than leasing it from General. This decline represents approximately \$488,000 of the \$603,340 reduction to local service revenues. The remainder of this reduction is due primarily to service connection revenues and reflects the state of the economy in the service area.

General again used this normalizing method to adjust its non-labor related operating expenses which resulted in a reduction to these expenses. While there is not a direct correlation between these expenses and local service revenues, a reduction in revenues as described above should generally reflect reduced levels of related operating expenses. The Commission is satisfied that in this instance such a relationship exists. Further, in instances where other methods or time periods yielded more reliable information General used such methods. This is particularly evidenced in General's adjustments to wage and wage-related items whereby General annualized its last pay period of the test period, which reflected both the reduction in the end-of-period employees versus actual and normalized increases granted employees during the test period to provide a better match between earnings and end-of-period capital.

While the normalizing method used by General for service connection revenues and non-wage related expenses does not provide a direct matching of revenues and expenses the Commission is satisfied that in this instance it does reflect the current operating conditions being experienced by General and is representative of ongoing operations.

The Commission is aware that this method is susceptible to wide variances in credibility depending upon the possible inclusion of abnormalities in the time period chosen and the possible seasonality of a utility's operation. Thus, the Commission's acceptance of these adjustments in this proceeding is not to be construed as a "blanket" approval of this method for future rate proceedings by General or any other utility under this Commission's jurisdiction.

Miscellaneous Revenues - Interest During Construction

General in its end of period adjustments proposed to increase interest during construction ("IDC") by \$570,976 on an intrastate basis. At the end of the test period General had construction work in progress of \$19,440,000; of this amount \$7,056,000 is eligible for IDC. The Commission using the year-end level of construction on which IDC is accrued and the overall cost of capital allowed herein as the prescribed IDC rate has increased this adjustment by \$131,413.17/ General is in agreement with this methodology.

Wages and Salaries

General proposed an adjustment of \$7,131,038 for increased wages and salaries. This adjustment normalized wages and salaries

to the test year end levels and also included out of period adjustments which totalled \$3,803,765.

Mr. Blanchard testified that General's out of period wage adjustments included some increases to become effective as long as 12 months after the end of the test period. 18/ Mr. Blanchard also testified that the wage adjustment was calculated based on the number of employees at the end of the test period, and that the employee count at that time was lower than at any other time during the test period. 19/ Mr. Blanchard further stated that General recognized productivity factors and reduced manpower requirement trends in its pro forma wage adjustment only to the extent of using the end of period number of employees in calculating the adjustment. 20/

Several of General's witnesses testified regarding the labor savings associated with anticipated capital expenditures. For example, Mr. Bruce Holmberg, Vice President and Area General Manager, testified that General is anticipating spending \$235 million for new plant additions in the period from 1983 through 1985.21/ Mr. Holmberg further stated that:

Our long-term objective is to be more efficient to replace equipment that requires high maintenance
and thus, greater amounts of labor with equipment
that is more efficient, less maintenance intensive
and is more efficient generally. So our long-term
objective is to impact expense levels through through this program in part.22/

Another General witness, Vice President of Revenue Requirements, Mr. Larry J. Sparrow, provided additional testimony regarding the economic rationale of the construction program:

You must realize a lot of our step-by-step offices were placed in the 40's, 50's and 60's. That technology is out of date - it is very costly to maintain. When we need line additions, it costs us more to add lines than to go in with this current state-of-the-art digital technology.23/

Thus, despite substantial testimony of the nature referenced herein regarding the labor savings to be realized by additional capital expenditures to which General is committed, the Commission finds it noteworthy that General proposed no adjustments for decreased manpower requirements or increased productivity related to these expenditures.

Mr. Blanchard also testified that the out-of-period wage adjustment included 7 percent increases to the Communication Workers of America ("CWA") and an increase for management, management support personnel, and various step increases for CWA and International Brotherhood of Electrical Workers employees. The increase to CWA was awarded in June, 1983, while the effective dates of increase to management, management support, personnel and the step increases were not specified and in most instances occurred at different dates throughout the period following April 30, 1983, and are accounted for as being in effect for an entire 12-month period. The Commission's usual policy is to accept pro forma wage increases granted during the test period and shortly thereafter subject to a determination that the increases are not excessive and that the employee levels are stable. Commission in recent Orders $\frac{24}{}$ has found the Consumer Price Index ("CPI") to be useful in analyzing proposed wage and salary General argued in its brief that the Commission adjustments.

staff's Cross Examination Exhibit 2, a summary of the CPI for 1983 showing a CPI for the test period of under 4 percent, is not "standing alone, . . relevant, material, or competent evidence which will support a finding that the wage increases granted by the Company are not reasonable. 25/ The Commission agrees with General that many factors influence the determination of the reasonableness of a utility's wage increase proposal including base salary scales, ability to retain employees at existing wage rates, and general economic conditions in the utility's service The Commission questioned General in detail and has area. evaluated all of these factors in examining General's proposal. During the test period General showed no evidence of any lack of ability in retaining employees and it is noteworthy that without full normalization of the increases granted during the test period, the average employee's annual salary approximated \$20,000 without payroll taxes and fringe benefits. In addition the normalization adjustments to the test period produced an average increase of approximately 8 percent above the \$20,000 average annual pay per employee.

The Commission is of the opinion that this adjustment shows the need for the test year concept. The Commission has on appropriate occasions allowed contract wage increases up to several months after the end of the test year on the basis that there would not be substantial changes in the number of employees or the basic relationship of employees to investment, revenues and expenses. In this case General seeks such an adjustment. General has proposed increases for the end of test period employees for a

full year although it is in the process of modernizing plant and utilizing less employees. General did not or could not break out what portion was for employees that would remain or would occur shortly after the end of the test period.

Therefore, the Commission after noting the criteria stated above has allowed a 5 percent increase in the CWA portion of the out-of-period adjustment which occurred approximately 2 months after the end of the test period and rejected the full increase of 7 percent granted the CWA employees in June 1983. The Commission is of the opinion that an increase of this magnitude is unreasonably high under present economic conditions and that General's customers should not be required to bear the full amount of the increase.

The Commission has noted with considerable interest the dramatic deceleration in wage and benefit growth among industries such as trucking, airlines and busing that have been subject to substantial deregulation. Within these industries there are many examples of actual wage and benefit reductions. A similar pattern has been evident throughout the economy in industries that have experienced intense competition. Given present economic trends, it is essential that compensation policies for utility employees reflect their counterparts in competitive industries. As a surrogate for the marketplace, the Commission must insure that the utilities under its jurisdiction are not insulated from economic conditions at the expense of Kentucky ratepayers. The Commission realizes that General's increase to its CWA union employees was set by contract; however, when the need arises, negotiations

should be reopened. Therefore, the Commission concludes that 5 percent is the maximum increase that should be passed on to General's customers for the annualized wage increase granted CWA employees in June 1983. In addition, the Commission places General on notice that its first step in future rate proceedings will be to determine whether General's <u>current</u> wage and benefit levels are out of line with similar compensation levels dictated by the marketplace. Only then will the Commission consider proposed increases in these levels. This policy will be applied to all utilities within the Commission's jurisdiction.

Moreover, the Commission has further disallowed all of the out-of-period step increases and the noncontractual out-of-period increases granted management and management support employees, because the method General used to calculate these increases, which take effect at varying times after the test period but cannot be identified in General's exhibits by specific date, result in an annualized level of increase that is neither known nor measurable. It is the Commission's opinion that when a company is undergoing numerous structural changes, a selective adjustment made for an expense increase long beyond the end of the test period is naturally uncertain in outcome and if accepted may produce earnings greater than the return found fair in this Order.

Thus, the Commission has reduced General's proposed wage adjustments by \$2,822,735. These adjustments increase General's net intrastate operating income by \$678,143.

Pensions and Benefits

General proposed to increase its total company test period expense for pensions and benefits of \$8,890,185 by \$1,022,060.26/Of this increase, \$396,68427/ is applicable to the proposed proforma increase in wages, which the Commission has disallowed herein. Therefore, the Commission has disallowed the corresponding increase to pensions and benefits. This adjustment increases General's intrastate net operating income by \$95,556.

Non-labor Expense

by \$1,224,099²⁸/ on an intrastate basis. This adjustment was made by annualizing the last quarter of General's operating expenses less the portion of these expenses related to wages. The Commission has analyzed this adjustment and is of the opinion that in this instance this method of normalization is acceptable as addressed above. However, after reviewing this adjustment and using General's methodology, the Commission has determined that non-labor operating expenses should have been reduced by an additional \$137,185²⁹/ due to an error in calculation made by General in this computation for a total intrastate reduction of \$1,361,284. This adjustment increases intrastate net operating income by \$46,171.

Plash-Cut Station Connection Expensing

General proposed to complete the expensing of station connections on a flash-cut basis. This proposal results in General's requesting \$1,671,110 in additional revenues. The Commission in Case No. 8045 specifically denied the flash-cut

approach to the expensing of station connections in favor of a four-phase approach, and implemented a procedure through which General could apply to this Commission for recovery of these expenses. The Commission's Order of September 30, 1983, in Case No. 8045 allowed General additional revenues for phase 3 with phase 4 not to be implemented until April of 1984. Therefore this expense has been rejected and General's intrastate net operating income has been increased by \$1,135,536. The necessary corollary adjustment has been made to rate base.

License Contract Adjustment

During the test period General incurred intrastate operating expenses associated with its license contract of \$2,577,797, which it proposed to increase to \$2,632,020.30/General's increase in license contract expense is 23.2 percent 1/2 per year for each of the past 5 years of operations. General stated that this increase was due to the expanded services being performed by its service corporation. 1/2/However, General did not perform any total productivity studies or studies of the individual services provided to determine the cost effectiveness of these services. Further General has little apparent control at the local level over which services it will pay for or the cost of such services.

The Commission is concerned with the rapid acceleration in the license contract expense and will not allow the increase as proposed by General, which increases General's operating income by \$18,249. Moreover, the Commission serves notice to General that in future proceedings, as the burden of proof lies with General,

it expects to see studies and analyses of the specific contract costs that show tangible evidence of both the necessity to the Kentucky ratepayer of the services provided under the license contract and the reasonableness and tangible cost-benefit relationship of these individual expenses by service.

Employee Concession Service

General proposed to increase local service revenue by \$316,140 to include the effect of estimated additional revenues available in the absence of employee discounts on local service. 33/ This adjustment is in accordance with recent Commission decisions on this issue (e.g., Case No. 8467, Notice of South Central Bell Telephone Company of an Adjustment in its Intrastate Rates and Charges). However, General proposed a corollary adjustment to increase operating expenses in the same amount as the revenue adjustment, which effectively eliminates the revenue adjustment and charges the ratepayers for the costs of concession service.

Mr. Blanchard testified that concession telephone service is a necessary and worthwhile part of General's compensation package to its employees. 34/ However, General has not provided any evidence that the concession service is considered in wage negotiations with its union employees or in management's determination of non-union wages. Furthermore, General's tariff specifically provides that "regular full-time employees . . .may be granted full or partial concession rates . . .at the expense of the stockholders."35/ The Commission is of the opinion that the ratepayer should not be required to pay the cost of employee

concession service as no tangible benefits accrue to the ratepayers. Therefore, the Commission has increased adjusted net operating income by $$160,473\frac{36}{}$ to eliminate the adjustment expense for concession service.

Late Payment Charge

General proposed to include in its normalized operations the expenses associated with the implementation of a late payment charge. Since the Commission has not accepted the proposed tariff, as explained in a later section of this Order, the expenses associated with it have been removed. This increases General's net operating income by \$14,869.

Full Normalization of Income Taxes

General proposed to change the accounting treatment of the tax savings resulting from payroll taxes, sales and use taxes, and pension costs which are capitalized for "book" purposes but deducted for tax purposes in the year the cost is incurred. This proposed change increases General's revenue requirements by \$3,885,003.37/ General has, in the past, followed flow-through accounting for book and rate-making purposes for these tax savings, whereby the tax savings is immediately passed on to the customers. Under the normalization method proposed in this case, the savings would be accumulated and passed through to the customers over the life of the plant account to which the original overhead cost was capitalized.

General's accounting witness, Mr. Norman Newton, testified that the proposed change to tax normalization "is the only way to insure that all customers, current and future, who use a

particular piece of equipment, get their fair share of the tax benefits associated with that equipment $\frac{38}{}$ and that "the tax benefits from construction overheads go to current customers This position is valid only if it is viewed in isolation. Thus, if General constructed the majority of its plant in 1 year and following that period its plant did not grow, it would be inequitable to pass this tax savings on to the current customers without giving consideration to the future customers. This is not the case with General, which by its own admission is engaged in an aggressive capital expansion program and has historically exhibited annual growth in net plant devoted to utility service. This means that a tax savings is created and passed on to the customers in each successive period, thus limiting the inequitable treatment described in a zero growth company.

Moreover, as growth continues, the normalization method creates permanent tax savings to the utility, providing an increasing source of cost-free capital from its customers. The federal tax laws require the Commission to normalize the tax savings resulting from the difference in accelerated tax depreciation and straight line book depreciation and to normalize The Commission does not believe an tax savings from JDIC. additional increase in the amount of capital which customers are required to provide General is warranted at this time. Therefore, the Commission has disallowed the proposed change in accounting treatment, which increases General's net operating income by \$2,165,251. The corresponding adjustment to rate base has been made, as previously stated.

Access Charges (Carrier Access Billing Charges)

The Commission issued an Order on October 21, 1983, stating that, given recent actions by the Federal Communications Commission ("FCC"), the entire area of access charges should be considered in a separate proceeding pending final action by the FCC on the access charge issue. On October 29, 1983, General withdrew the access tariffs in this filing, but failed to withdraw the proposed costs associated with the implementation of an access billing system in the amount of \$2,026,897. Mr. Joseph Wareham, Business Relations Director for General, testified that the expenses are "associated with the installation of equipment that will be used to perform billing functions for interexchange carrier traffic." 40/ Mr. Wareham further stated that, under General's proposal, "a portion of the carrier billing would be borne by the local customer." 41/

The Commission is considering all matters related to access charges in Case No. 8838, An Investigation of Toll and Access Charge Pricing and Toll Settlement Agreements for Telephone Utilities Pursuant to Changes to be Effective January 1, 1984. The Commission is of the opinion that, as a final determination in Case No. 8838 has not been made, it would be inappropriate to address matters related to access charges in General's rate case. Moreover, the Commission is of the opinion that it would be inappropriate to assign these costs to the general body of ratepayers as it is the carriers that are the true cost causers.

Therefore, the Commission has disallowed the inclusion of this expense for rate-making purposes herein, which increases General's intrastate net operating income by \$496,167.

Institutional Advertising

General included in its test period operations institutional advertising expenses of \$68,475.42/ The Commission is of the opinion that this expense should not be borne by the ratepayers and should be shown as a "below the line" expense. Therefore, the Commission has increased General's net operating income by \$16,494.

Payroll Taxes

The Commission has reduced General's pro forma payroll tax expense by $$144,602\frac{43}{}$ in order to reflect the Commission's adjustments to General's pro forma wage expense. This increases intrastate net operating income by \$50,215.

Amortization of Excess Tax Deferrals

Effective January 1, 1979, the corporate federal income tax rate was reduced from 48 to 46 percent. Therefore, income taxes deferred on differences between book and tax depreciation prior to 1979 at a 48 percent tax rate will be paid at a 46 percent tax rate when these differences reverse. This tax rate reduction poses the question of proper accounting of the taxes deferred prior to 1979 at 48 percent which are no longer a future liability.

As it has done in other recent cases, 44/ the Commission will amortize excess deferred taxes over 5 years for rate-making

purposes to better insure that the surplus is credited to the ratepayers who originally paid the taxes at 48 percent.

General reported excess deferred taxes at April 30, 1983, of \$880,392.45/ Amortizing this difference over 5 years results in an annual reduction in income tax expense after toll considerations of \$128,311. This increases adjusted intrastate net operating income by \$96,276. A corollary adjustment has been made to reduce accumulated deferred taxes to recognize the first year's amortization, thus increasing the rate base as noted earlier in this Order.

The Commission notes that if the tax rate is increased in the future, equity will demand that any deficiency in the deferred tax reserve will have to be provided through rates at that time.

Interest Synchronization

General proposed combined interest expense for rate-making purposes of \$16,806,933, exclusive of an allowance for JDIC. The Commission, including an allowance for JDIC, has determined this amount to be \$16,870,657. The Commission is aware that General has disagreed with this treatment of interest on JDIC; however, the Commission is of the opinion that this treatment is proper and consistent with Internal Revenue Service regulations. However, as this issue is currently before the Kentucky Court of Appeals (Continental Telephone Company v. Public Service Commission, 82-CA-2657-Mr) and a final decision is imminent, the Commission finds it reasonable to adopt, in this proceeding, its recent decision regarding this issue in Case No. 8734, Adjustment of Rates of Kentucky Power Company, in its Order of October 31, 1983.

In that proceeding, at the request of Kentucky Power Company to avoid additional judicial review of this issue, the Commission stated that if a final decision should be adverse to the Commission's position, it would consider a rate adjustment to generate the revenues associated with JDIC. As in Case No. 8734, this Order should eliminate the need for appeal of this matter at the judicial level.

At this time, in accordance with past practice, the Commission has applied the cost rates applicable to long-term debt to the JDIC allocated to the debt components of the capital structure. Using the capital structure allowed herein, the Commission has computed a net interest increase of \$63,724, the intrastate effect being \$46,133, which results in an increase to net operating income after the tax effect of \$22,715.

RATE OF RETURN

Mr. Dunn and Mr. Austin both proposed a 9.55 percent cost for long-term debt, which reflected the upcoming issuance of \$25,000,000 of new long-term debt at an estimated 12.75 percent cost. 46/ Both witnesses also proposed a 9.45 percent cost for preferred stock and a 5.51 percent cost for debentures. 47/ Mr. Dunn proposed a cost of 11 percent for short-term debt because that was the estimated cost to convert short-term debt to long-term debt. 48/ Mr. Austin used the pro forma embedded cost of short-term debt which was 8.75 percent. 49/ pr. Smith proposed a 9.48 percent cost for preferred stock and a 9.45 percent cost for all debt. 50/ The Commission is of the opinion that a 9.45 percent cost for preferred stock, a 9.51 percent cost for long-term debt

and an 8.79 percent cost for short-term debt are reasonable. The 9.51 percent cost of long-term debt is the embedded cost of all long-term debt and debentures and reflects the issuance of \$25,000,000 of new long-term debt at its cost of 13.1 percent. $\frac{51}{}$ The 8.79 percent cost of short-term debt is the 12-month average commercial paper rate through November, $\frac{1983.52}{}$ The Commission is of the opinion that these costs are reasonable and reflect the known and measurable changes in General's capital structure beyond the test year.

Mr. Dunn and Mr. Austin both made recommendations as to the appropriate return on equity for General. Mr. Dunn determined his 17.5 to 18 percent required return on equity based on a Discounted Cash Flow ("DCF") analysis and a comparable earnings analysis. 53/ Mr. Austin determined his 17 percent required return based on a DCF analysis and a risk premium analysis.54/ Mr. Dunn selected a group of three comparative Bell Telephone companies and a group of five comparative independent telephone companies. He determined that General was more risky than either of the two comparison groups because the coefficient of variation of returns for General was the greatest. 55/ Mr. Dunn then performed a DCF analysis for the two comparison groups. Using historical data for the past 5- and 10-year periods, Mr. Dunn determined that investors could reasonably expect a dividend growth rate of up to 8 percent for the Bell group and 8 to 9.5 percent for the independent group. 56/ Applying those growth rates to the expected dividend yields for the two comparison groups produced a DCF-determined range of returns of 17 to 18 percent. 57/ Using a comparable earnings analysis, Mr. Dunn determined that the return requirement was over 16 percent, based on 1979 to 1982 data. $\frac{58}{}$ Mr. Dunn's recommended range of 17.5 to 18 percent reflected the additional risk of General, compared to the Bell group and the independent group. $\frac{59}{}$

Mr. Austin also performed a DCF analysis. However, he selected a group of eight utilities that he considered similar to General in risk. He also selected three telephone utilities for a DCF analysis. Mr. Austin used historical and projected growth rates in his DCF analysis. The average historical dividend growth rate for the eight comparable utilities was 6.1 percent. $\frac{60}{}$ average expected dividend and earnings growth rates, according to Value Line, were both 6.9 percent $\frac{61}{}$ Merrill Lynch estimated the growth rates in dividends and earnings to be 6.9 and 5.9 percent, respectively. 62/ Applying those growth rates to the average dividend yield for the eight comparable utilities produced a 16.19 percent return on equity. 63/ Mr. Austin adjusted this figure upward by 10 percent to reflect financing costs and market pressure. He performed a similar calculation for the three telephone utilities. Mr. Austin used historical and projected growth rates in earnings and dividends per share and applied them to the 7.37 percent average dividend yield for the three telephone utilities. After adjusting by 10 percent for financing costs and market pressure, he determined that the required return on equity was 17.3 percent $\frac{64}{}$ Based on his DCF analyses and his risk premium analysis, Mr. Austin determined that the market required return on equity was in the range of 17 to 18 percent. $\frac{65}{}$

The Commission has certain reservations about the return on equity recommendations of Messrs. Dunn and Austin. For instance, the projected dividend growth rates for Mr. Dunn's two comparison groups were 3.7 percent for the Bell group and 5.8 percent for the independent group, according to the October 28, 1983, Value Using these growth rates in a DCF calculation, as opposed to Mr. Dunn's proposed growth rates, would certainly indicate a substantially lower return on equity. The projected dividend growth rate for Mr. Austin's eight comparable utilities was 6.9 percent, according to Value Line 67/ However, the 18.5 percent growth rate for Arkla (one of the comparison companies) was extraordinarily high and excluding it from the average would reduce the expected dividend growth rate to 5.4 percent. 68/ The average projected dividend growth rate for Mr. Austin's three telephone utilities, according to the October 28, 1983, Value Line, was 6 percent. 69/ Here again, using these growth rates would indicate a lower return on equity. The Commission is not convinced that investors expect a telephone utility's dividends to grow at an 8 to 9 percent rate or even at a 6.9 percent rate.

Mr. Austin increased his estimates of the market required return on equity by 10 percent to allow for financing costs and market pressure. However, General has no publicly traded stock or selling expenses and General's selling expenses never exceeded 5.8 percent and recently have been approximately 2.8 percent. 70/Market fluctuations, resulting from the sale of common stock, can be positive as well as negative. The Commission recognizes the

need to include financing costs in the cost of equity but given General's selling expenses, 10 percent is excessive. Standard & Poor's recently upgraded General's first mortgage bonds and preferred stock. $\frac{71}{}$ Also, General's market to book ratio is currently in excess of 1.2. $\frac{72}{}$

Finally, Mr. Austin presented a risk premium analysis to help support his recommended return on equity. At the hearing, Mr. Austin agreed that the risk premium was very volatile over time. 73/ The Commission has serious reservations as to the validity and usefulness of the risk premium analysis in determining the required return on equity.

Dr. Smith recommended a cost of common equity capital for General in the range of 12.16 to 12.93 percent 74/. She performed a DCF analysis on GTE and then determined the overall cost of capital to GTE. Using a variation on the double leverage approach, Dr. Smith determined that the overall cost of capital to GTE was the cost of equity to General. 75/ She also stated that any market pressure, resulting from the sale of common stock, is already reflected in the stock price and that it is unnecessary to include any allowance for assumed market pressure in utility rates. 76/ In their combined brief, the AG and Urban County stated that the Commission should allow a return on equity in the range of 12 to 13 percent. 77/

Dr. Dennis B. Fitzpatrick, utility rate consultant, finance professor at the University of Idaho and rebuttal witness for General, criticized Dr. Smith's approach to determining the appropriate cost of equity. Messrs. Dunn and Austin also provided

rebuttal testimony criticizing Dr. Smith's testimony. The major criticisms of Dr. Smith's testimony result from her use of double leverage in determining General's cost of capital. Dr. Fitzpatrick also criticized her because GTE was the only company for which she performed a DCF analysis. 78/ Mr. Austin stated in his rebuttal testimony that Dr. Smith's proposed return on equity was lower than the yield on General's long-term bonds and he thought that was unreasonable. 79/ Mr. Dunn criticized her use of a double leveraged capital structure and a one company DCF analysis. 80/

The Commission is not convinced that using only GTE in a DCP analysis is appropriate because General is a local telephone company while GTE is a holding company engaged in many diverse lines of business. Further, an investor expects to earn a return on his investment commensurate with the risk he assumes in making the investment, regardless of his source of funds. The Commission is not convinced that using a double leverage approach is prudent in determining the market required return on equity. However, the Commission will take into account the financial benefits derived by General from its subsidiary relationship with GTE. The Commission is of the opinion that Dr. Smith's recommended return on equity understates the return required by investors.

After having considered all of the evidence, including current economic conditions, the Commission is of the opinion that a range of returns on equity of 13.25 to 14.25 percent is fair, just and reasonable. This range of returns also reflects the conservative nature of General's capital structure. A return on

equity in this range would not only allow General to attract capital at reasonable costs to insure continued service and provide for necessary expansion to meet future requirements, but also would result in the lowest reasonable cost to the ratepayer. A return on common equity of 13.75 percent will allow General to attain the above objectives.

Rate of Return Summary

Applying rates of 13.75 percent for common equity, 9.45 percent for preferred stock, 9.51 percent for long-term debt and 8.79 percent for short-term debt to the capital structure approved herein produces an overall cost of capital of 11.56 percent. The additional revenue granted will provide a rate of return on net investment of 11.06 percent. The Commission finds this overall cost of capital to be fair, just and reasonable.

REVENUE REQUIREMENT

The Commission, based on General's adjusted operations, has determined that General is entitled to increase its rates and charges on an intrastate basis by \$3,894,169, determined as follows:

Required Net Operating Income	\$31,416,052
Adjusted Net Operating Income	29,444,434
Deficiency	\$ 1,971,618
Retention Factor (.5063)	\$ 3,894,169

CONSTRUCTION BUDGET

In Case No. 8666, Statewide Planning for the Efficient Provision of Electric Generation and Transmission Facilities, the Commission expressed its concern with load forecasts and capacity

expansion activities of the electric utilities in Kentucky. Several of the same general concerns prompting the initiation of this case exist in the regulation of Kentucky's telephone utilities. In order for the Commission to properly discharge its responsibilities, it must examine telephone utility construction budgets to determine if they represent prudent and reasonable expenditures, designed to meet the telecommunications needs of Kentucky's citizens at the lowest cost. Recent events in the telephone industry—some of them cited by General in this rate case—have increased the need for such examination. Accordingly, the Commission intends to subject this area to more intense scrutiny than has been done in the past.

Dramatic changes in telephone technology, coupled with the introduction of competition in the industry, have resulted in significant construction activity by General aimed at modernizing its facilities. It is incumbent upon General to demonstrate that equipment replacement and modernization programs are being performed in a manner that ensures they are beneficial not only to the company, but to its customers as well.

The Commission questions whether general rate case proceedings provide adequate opportunity for effective and thorough examination of telephone utility construction budgets. It is anticipated that a generic proceeding will be established to investigate whether an alternative procedure would enable the Commission to better meet its obligations in this regard. For purposes of this Order, several areas of General's construction

budget of most immediate concern to the Commission are addressed in the following two sections:

EQUIPMENT REQUIRED FOR USAGE SENSITIVE SERVICE ("USS")

Testimony was presented on the subject of measuring and billing for local telephone usage. Although General does not offer such a service presently, the Commission is concerned about expenditures on equipment used to measure and record local calling. This is particularly true in electromechanical switching offices, but is also true in terms of incremental expenditures to provide measuring and billing <u>capability</u> in software-controlled central offices. It is the Commission's intention to provide a more general forum to address USS policy in the near future.

CENTRAL OFFICE SWITCHING EQUIPMENT RETIREMENTS

Considerable testimony was presented on the subject of central office switching equipment retirements. General uses DCF analysis when determining whether a central office switch should be replaced.

DCF analyses are performed to estimate as closely as possible the cash flows which will occur in a specific plan of operation over a given period of time. When considering whether to replace a central office, several plans are studied, including the present method of operation, and the plan with the lowest total net present value of cash outflows over the study period is considered the most economical. The actual period of time that the new equipment remains in place is essential in determining the accuracy of the cash flow analysis. If the equipment does not remain in place for the duration of the study period, then the

results of the analysis which showed that its placement was economical did not reflect the true situation, and thus the analysis was inaccurate in its determination of actual savings in total net cash outflows.

If a switching facility remains in operation for a substantially shorter period of time than its cash flow analysis provided for, then it is possible that it could have had a greater total net cash outflow over its life than its predecessor would have had over the same period. In this case the previous equipment should have never been replaced.

The Commission is very concerned that General may have proceeded with its central office modernization problem without adequate consideration of the interests of its ratepayers. Therefore, at least 6 months prior to the requisition date of any central office switching equipment, General shall provide the Commission with documentation to support the proposed replacement. This information should include, at a minimum, the demand forecast for the exchange involved, the discounted cash flow analysis for all alternatives considered, and any other information which the Commission may require. The burden of proof shall rest with General to demonstrate that the best interests of its ratepayers are served by the proposed replacements.

REPRESSION

General's witness, Mr. Alfred Banzer, proposed a repression adjustment to Residence and Business Service Order charge billable units. The residential and business repression factors were equal to 13.6 percent and 3 percent, respectively. The repression

adjustments were to reflect "...a continuing downward trend of billable service charge units."

repression adjustments fail to reflect known and measurable changes to test year results. The method selected by General for determining the repression factors is inconsistent with economic theory and is statistically unreliable. Application of General's method results in repression factors which have not been correctly adjusted for changes in economic conditions and hence results in inadequate estimates of the repression on billable service charge units. 81/ Furthermore, the Commission has repeatedly stated that a repression adjustment is a transfer of risk from the stockholder to the ratepayer for which the stockholder has been adequately compensated in its allowed return. Therefore, the Commission will reject General's proposed repression adjustment.

RATE DESIGN

General proposed rate adjustments in virtually all areas of service, summarized as follows:

Local Exchange Service	\$ 21,914,697
General Exchange Service	1,976,939
Nonrecurring Charges	1,461,611 \$ 25,353,247

In addition, General proposed to restructure its Rentucky intrastate tariff, decrease the number of rate groups in its flat rate schedule from 35 to 7, and introduce new rates and charges.

Tariff Restructure

The Commission is of the opinion that General's proposal to restructure its Kentucky intrastate tariff is reasonable and should be approved. Considered on its own merit, the tariff restructure does not result in an increase of rates to any customer. Moreover, it should facilitate more efficient tariff administration, both for General and the Commission.

Local Exchange Service

General proposed to allocate approximately 86 percent of its proposed additional revenue requirement to local exchange service, which would cause local exchange rates to increase approximately 40 percent. The Commission is of the opinion that an additional revenue requirement less than that proposed by General is reasonable. Thus, the Commission has substantially reduced the allocation of additional revenue requirement to local exchange service, consistent with the concept of residual pricing. The authorized increase to local exchange rates is approximately 3 percent.

In addition to an increase in local exchange rates, General proposed to reduce the number of rate groups in its flat rate schedule from 35 to 7. At the present time, only 18 of the 35 rate groups apply to any customers, leaving 17 rate groups unused. Historically, the revenue requirement allocated to local exchange service has been determined on a residual basis and rate groups in the flat rate schedule have been assigned rates based on value of service rather than cost of service relationships. That is, in value of service terms, the greater the number of access lines in

a rate group, the greater the rate assigned to the rate group relative to other rate groups. Value of service relationships have been used because the telecommuniations industry has been, until recent years, unconcerned about the cost of local exchange service and, indeed, to this time, undisputed information on the cost of local exchange service is nonexistent.

Although General did not and was unable to file any cost of service evidence to support the need to consolidate the flat rate schedule, the Commission is of the opinion that eliminating vacant rate groups and consolidating active rate groups of similar characteristics is at least conceptually correct. The Commission is also of the opinion that General's proposed consolidation of the flat rate schedule to seven rate groups is reasonable and should be approved. Such a consolidation of the flat rate schedule will facilitate local exchange rate administration and should not unduly prejudice any customer.

General Exchange Service

General's major proposals in the area of general exchange service involve directory listings and coin telephone service. In the area of directory listings, General proposed to increase additional, alternate, and non-published listings approximately 27 percent. The cost of a basic directory listing is included in local exchange rates. However, the cost of discretionary listing arrangements is not included in local exchange rates and discretionary listing arrangements have not been increased in several years. Therefore, the Commission is of the opinion that

the proposed rates for directory listings are reasonable and should be approved as proposed.

In the area of coin telephone service, General proposed to discontinue the coin concession allowance to public coin telephone service proprietors, in lieu of negotiated rental payments. General also proposed to increase semi-public coin telephone service local exchange rates, but allow semi-public coin telephone service proprietors to retain coin revenue. The Commission views coin telephone service as an increasingly competitive sector of the telecommunications market and interprets General's proposals to be a response to the competitive pressures of the market place. Therefore, the Commission is of the opinion that General's proposals in the area of coin telephone service are reasonable and should be approved as proposed.

In addition to directory listings and coin telephone service, General proposed rate adjustments to other areas of general exchange services. The Commission is of the opinion that General's proposed adjustments in these areas are reasonable and should also be approved as filed.

Nonrecurring Charges

General proposed to introduce nonrecurring charges for wire tap investigations and the tracing of harassing calls. The Commission will approve General's proposed wire tap investigation rate. However, the Commission will not authorize General's proposed rate for tracing harassing calls, because it is contingent on a court order and the Commission is of the opinion that General should not charge for court-ordered action.

General also proposed a late payment penalty. The Commission acknowledges that late payment penalties are a normal feature of business transactions. However, the Commission will not approve General's late payment penalty proposal for several First, General bills 30 days in advance of local service, but would levy the late payment penalty after 20 days from the billing date. The Commission is of the opinion that this discrepancy is sufficiently problematic to warrant disapproval, unless General can make more a convincing argument in a future case. Also, General would levy the late payment penalty to accounts aged month to month on a recurring basis, whereas the Commission is of the opinion that a one-time non-recurring late payment penalty is more reasonable, especially in view of the fact that General has the authority to discontinue service to accounts aged 1 month. And, third, data filed by General in the case did not disaggregate unpaid accounts by age, thus, denying the Commission the option of approving the substance of General's late payment penalty on a non-recurring basis.

In the area of service charges, General proposed a revenue increase of approximately 23 percent. General also proposed to restructure its schedule of basic service charges and certain new miscellaneous service charges. The Commission will not authorize an increase to basic service charges on the basis that the pricing of basic service charges should be linked to the expensing of station connections, which the Commission has authorized under a 4-year phase-in plan. General was authorized an increase to

service charges in Case No. 8045, Order dated September 30, 1983, to recover expenses associated with phase-3 expensing of station connections and is entitled to no further relief at this time. However, the Commission will approve General's proposed restructure of its schedule of basic service charges, because such a restructure is reasonable and will have no revenue impact.

The Commission will also approve General's proposed adjustments to miscellaneous service charges, since these are not affected by the expensing of station connections plan and the proposed new service charges. General also proposed a repair visit charge which the Commission has denied. General has previously filed a repair visit charge proposal and withdrew it as a result of Commission objections, which were based on the opinions that the cost of single line telephone set maintenance is included in the monthly rate and that the charge would be unduly burdensome to certain customers, such as the elderly and handicapped, and those living in areas remote from General's designated service centers.

Embedded Equipment

General proposed various adjustments to embedded equipment contract maintenance and non-contract service rates, based on cost data filed in the case. The Commission is of the opinion that these rates adjustments are reasonable and should be approved as proposed.

General also proposed to extend embedded equipment contract maintenance rates to unregulated system additions. The Commission is of the opinion that this proposal is beyond the scope of its

regulatory authority and, on that basis, should be denied. Also, the Commission is concerned that its approval of such a plan might create the opportunity for General to subsidize unregulated operations under the umbrella of the Commission's sanction, which, in the opinion of the Commission, would not be in the interest of General's ratepayers.

The rates in Appendix A are designed to yield the additional revenue authorized in this Order as follows:

Local Exchange Service General Exchange Service Nonrecurring Charges \$1,569,881 1,971,181 353,107

\$3,894,169

FINDINGS AND ORDERS

The Commission, after consideration of the evidence of record and being advised, is of the opinion and finds that:

- 1. The rates proposed by General would produce revenues in excess of those found reasonable herein and should be denied upon application of KRS 278.030.
- 2. The rates and charges in Appendix A are the fair, just and reasonable rates and charges for General to charge its customers for telephone service.

IT IS THEREFORE ORDERED that the proposed rates and charges in General's notice of July 20, 1983, be and they hereby are denied.

IT IS FURTHER ORDERED that General be and it hereby is authorized to place into effect the rates and charges in Appendix A for all service rendered on and after January 4, 1984.

IT IS FURTHER ORDERED that, within 30 days of the date of this Order, General shall file its tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 4th day of January, 1984.

PUBLIC SERVICE COMMISSION

Vice Chairman

Commissioner

ATTEST:

Secretary

FOOTNOTES

- 1. PSC Data Request No. 2, Revised Item 121, page 6 of 6, Column H, line 11.
- 2. Ibid., Column F, line 11.
- 3. Ibid., Page 2 of 6, Column F, line 21.
- 4. Transcript of Evidence ("T.E."), November 10, 1983, page 31.
- PSC Data Request No. 2, Revised Item 121, page 6 of 6, Column H, line 8.
- 6. Ibid., Item 92, page 1 of 1.
- 7. T.E., November 10, 1983, page 34.
- 8. Test period local service revenues of \$91,045,368 + total test period operating revenues of \$137,202,489 = .6636.
- 9. T.E., November 10, 1983, page 34.
- 10. PSC Data Request No. 2, Revised Item 121, page 6 of 6,
 Column E, line 11.
- 11. Dunn Revised Schedule JCD-22 and Austin Revised Schedule 7.
- 12. Dunn Revised Schedule JCD-22, Kentucky Staff Request No. 1, Item 8, page 1, and T.E., November 9, 1983, page 191.
- 13. Commission Order dated October 28, 1983, Case No. 8917, page 1.
- 14. Smith Exhibit CMS-1, page 1.
- 15. Standard Data Request, Item 31, page 2 of 2.
- 16. PSC Data Request No. 2, Revised Item 121, page 2 of 6, Column A, line 22.
- 17. \$9,666,000 x 11.56% = \$1,117,390 total co. adj. IDC of \$768,456 = (\$348,934 x ..559815) (\$348,934 x .18320187) = \$131,413.
- 18. T.E., November 10, 1983, page 13.
- 19. Ibid., page 17.
- 20. <u>Ibid</u>.
- 21. Ibid., November 9, 1983, page 218.

- 22. Ibid., pages 223-224.
- 23. Ibid., page 50.
- 24. Columbia Gas of Kentucky, Kentucky-American Water Company, Continental Telephone Company of Kentucky.
- 25. General's Brief, page 51.
- 26. Hearing Requests, Blanchard Item 1, page 2 of 3.
- 27. Total company wage expense allowed of 981,030 x .151629 average pension and benefit rates = \$148,753. \$545,437 \$148,753 = \$396,684.
- 28. PSC Data Request No. 2, Revised Item 121, page 4 of 6, Adjustment N.
- 29. <u>Ibid.</u>, Item 103, pages 1-3 of 3.
- 30. Ibid.
- 31. Hearing Requests, Blanchard Item 3, page 1 of 1.
- 32. Ibid.
- 33. PSC Data Request No. 2, Revised Item 121, page 4 of 6, Adjustment L.
- 34. T.E., November 10, 1983, page 75.
- 35. Employee Concession Tariff.
- 36. PSC Data Request No. 2, Revised Item 121, page 4 of 6, Adjustment L.
- 37. $(\$1,715,177 \times 11.56\$) \$2,165,251 = \$1,966,977 \div .5063 = \$3,885,003.$
- 38. T.E., November 10, 1983, page 127.
- 39. Ibid., page 128.
- 40. <u>Ibid.</u>, page 206.
- 41. <u>Ibid.</u>, page 213.
- 42. Standard Data Request, Item 25(a), page 2 of 4, Column C.
- 43. Ibid., Item 16, page 73 of 103, and wage expense allowed herein.
- 44. Kentucky-American Water Company, South Central Bell Telephone Company and Louisville Gas and Electric Company.

- 45. Standard Data Request, Item 19, page 2 of 2.
- 46. Dunn Revised Schedule JCD-22 and Austin Revised Schedules 1 and 7.
- 47. Dunn Revised Schedule JCD-22 and Austin Revised Schedule 1.
- 48. Dunn Prefiled Testimony, page 18.
- 49. Austin Revised Schedule 7 and Kentucky Staff Standard Data Package, Item 2b, page 2.
- 50. Smith Exhibit CMS-1, page 1.
- 51. \$16,622,454 (annual effective cost which includes \$3,308,000 cost of new \$25 million of debt at 13.1%) ÷ \$174,875,000 (12/31/83 face amount outstanding).
- 52. Federal Reserve Statistical Release.
- 53. Dunn's Prefiled Testimony, pages 54 and 57.
- 54. Austin's Prefiled Testimony, page 4.
- 55. Dunn's Prefiled Testimony, page 45.
- 56. Ibid., page 53.
- 57. Ibid., page 54.
- 58. Ibid., page 57.
- 59. Ibid.
- 60. Austin's Prefiled Testimony, page 36.
- 61. Ibid.
- 62. Ibid.
- 63. Ibid., page 37.
- 64. Ibid., page 39.
- 65. Ibid., page 48.
- 66. T.E., November 9, 1983, page 112.
- 67. Austin's Prefiled Testimony, page 36.
- 68. T.E., November 9, 1983, pages 161 and 166.
- 69. <u>Ibid.</u>, page 173.

- 70. Kentucky Staff Standard Data Package, Item 4a, page 3.
- 71. T.E., November 9, 1983, page 111.
- 72. Based on a price of \$43 per share as quoted in the December 12, 1983, Wall Street Journal.
- 73. T.E., November 9, 1983, page 180.
- 74. Smith's Prefiled Testimony, page 6.
- 75. Ibid., pages 6 and 7.
- 76. Ibid., page 23.
- 77. AG's and Urban County's Combined Brief, page 15.
- 78. Fitzpatricks' Rebuttal Testimony, page 41.
- 79. Austin's Rebuttal Testimony, page 1.
- 80. Dunn's Rebuttal Testimony, page 1.
- 81. Banzer Testimony, page 25.

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 8859 DATED January 4, 1984.

The following rates and charges are prescribed for customers in the area served by General Telephone Company of Kentucky. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

GENERAL CUSTOMER SERVICES TARIFF

S2. GENERAL REGULATIONS

S2.3 Establishment and Furnishing of Service

S2.3.18 Wire Tap Investigation

a. When, at the request of a customer, a wire tap investigation is made by the Telephone Company, and when no wire tap or trouble condition in Telephone Company equipment or facilities can be found, a \$50.00 one time charge for inspection of the facilities and equipment serving the customer may be applicable.

S2.3.19 Tracing of Harassing Calls

The Telephone Company will install equipment for the purpose of tracing harassing telephone calls to a customer, provided that before such tracing shall be undertaken the customer presents a District Court Order finding that probable cause exists to believe that harassing telephone calls have been made. The Telephone Company shall leave the equipment in place for a period no more than seven days. Should a harassing call be made curing this period, the Telephone Company shall trace the call and report the results to the proper authorities for legal handling.

S2. GENERAL REGULATIONS

S2.6 <u>Customer Premises Wiring</u>

S2.6.1 General

i. Where a customer elects to install the wiring and/or jacks, the following non-recurring charges are applicable for products available from the Company. These charges are in lieu of wiring and jack charges specified in Section S4. All other regular charges apply for items of service and equipment when service is established.

Wiring

225 Feet, each \$13.95

S3.2 Monthly Exchange Rates

S3.2.1 Flat Rate Service

a. The rate group schedule is applied on the basis of the number of primary stations and PBX access lines within the local calling area, including the primary stations and PBX access lines of other telephone companies, within the same local calling area.

CLASS AND GRADE OF ACCESS SERVICE	RATE GROUP 1 0-3,000	RATE GROUP 2 3,001-6,000	RATE GROUP 3 6,001-12,000
BUSINESS LINE One-Party Two-Party	\$ 21.90 18.78	\$ 23.38 19.76	\$ 25.95 21.99
Four and Eight Party PBX Trunk Semipublic	15.48 40.52 43.80	16.32 43.25 46.76	18.05 48.01 51.90
RESIDENCE LINE			
One-Party Two-Party Four and Eight	9.82 7.85	10.31 8.22	11.05 8.83
Party	6.92	7.21	7.71
CLASS AND GRADE OF ACCESS SERVICE	RATE GROUP 4 12,001-25,000	RATE GROUP 5 25,001-50,000	RATE GROUP 6 50,001-100,000
CLASS AND GRADE OF ACCESS SERVICE BUSINESS LINE One-Party Two-Party			
CLASS AND GRADE OF ACCESS SERVICE BUSINESS LINE One-Party Two-Party Four and Eight Party PBX Trunk	\$ 30.45 26.74 22.20 56.33	25,001-50,000 \$ 33.48 27.88 23.32 61.94	\$ 37.06 31.52 25.95 68.56
CLASS AND GRADE OF ACCESS SERVICE BUSINESS LINE One-Party Two-Party Four and Eight Party	\$ 30.45 26.74 22.20	25,001-50,000 \$ 33.48 27.88 23.32	\$ 37.06 31.52 25.95
CLASS AND GRADE OF ACCESS SERVICE BUSINESS LINE One-Party Two-Party Four and Eight Party PBX Trunk Semipublic	\$ 30.45 26.74 22.20 56.33	25,001-50,000 \$ 33.48 27.88 23.32 61.94	\$ 37.06 31.52 25.95 68.56

CLASS AND GRADE OF ACCESS SERVICE	RATE GROUP 7 100,001-150,000
BUSINESS LINE	
One-Party	\$ 40.36
Two-Party	34.00
Four and Eight	
Party	28.00
PBX Trunk	74.67
Semipublic	80.72
RESIDENCE LINE	
One-Party	14.77
Two-Party	11.75
Four and Eight	
Party	10.32

The local rates shown above are in addition to the Common Access Line Charge (CALC) shown in Tariff P.S.C. Ky. No. 6.

S3.7 Rotary Line Service

S3.7.1 General

- a. Rotary line service provides a means whereby calls made to the first number of a rotary group will be automatically completed over the first idle line in the rotary group. If all lines are busy the calling party will receive the busy signal.
- b. This service is furnished only when the rotary numbers are available and only in connection with individual line.
- c. See Section S6.1.g. for the regulations applicable to directory listings in connection with provision of main services on a rotary basis.
- d. Rotary Telephone Numbers may be reserved for future use, subject to the availability of facilities, at the rate shown in Section S3.11.

\$3.7.2 Rates

a. The rate for each individual rotary line in use is the applicable monthly rate for individual line service, in addition to the following rates for each rotary number. The rate groupings are the same as those specified in Section S3.

Rate Group	Business Monthly Rate*	Residence Monthly Rate*	
1	\$ 18.62	\$ 8.35	
2	19.87	8.77	
3	22.06	9.39	
4	25.88	10.26	
5	28.46	10.87	
6	31.50	11.82	
7	34.31	12.55	

*Not applicable to rotary line service provided in connection with PBX lines.

S3.8 Local Directory Assistance Service

S3.8.3 Rates

- a. A charge of \$0.30 will apply for each Local Directory Assistance call in excess of the allowance.
- b. A surcharge of \$0.30 will be applicable to all calls connected to Local Directory Assistance by the "O" operator, provided that the "O" operator is not the only source for Local Directory Assistance.
- Note:

 Intrastate Long Distance Directory Assistance Services will be administered in accordance with South Central Bell Telephone Company's Tariff, Ky. 1A, Section A18, "Long Distance Message Telecommunications Service".
- S3.9 Operator Assisted Local Calls and Local Calling Card Service Calls

S3.9.1 Operator Assisted Local Calls

a. A surcharge of \$0.60 will apply when the caller requests operator assistance and the call is completed within the local service area. The call may be billed to the originating telephone, credit card, third number, or collect.

- b. Application of Charges
 - (1) The \$0.60 surcharge will be applied to each completed call except:
 - (a) For calls to the Company for official telephone business.
 - (b) For emergency calls to agency type telephone numbers such as to those agencies of the federal, state or local government which have the capability and legal authority to provide aid in emergency situations and to any emergency medical number.
 - (c) When the caller identifies himself as being handicapped and unable to place the call due to this handicap.
 - (d) When the caller advises he has had service trouble in reaching the terminating number.

\$3.9.2 Local Calling Card Service Calls

a. A surcharge of \$0.60 will apply to all calling card service calls wherein the caller dials both the called number and the calling card service number and the call is completed within the local service area.

S3.10 Local Operator Verification/Interruption Service

S3.10.1 General

Verification service provides operator assistance in determining if a called line is in use. Interruption service provides for operator interruption of a conversation in progress on a called line. The customer may request these services for a charge, where facilities are available, by calling the "O" Operator.

The charges specified in S3.9.2 following will apply to all requests except:

- a. Emergency requests from official emergency agencies when the request is received on an agency line from agency personnel.
- b. Emergency requests in which the caller identifies that the request is to (1) an official public emergency agency; (2) an emergency medical number; or (3) a privately endowed and operated suicide, drug, alcohol, or runaway crisis reporting center.

c. Requests in which the operator encounters a trouble condition or has reason to believe a trouble condition exists.

\$3.10.2 Charges

- a. <u>Verification:</u> A charge of \$0.95 applies each time the operator verifies a called line and hears voice communication.
- b. Interruption: A charge of \$1.40 applies each time the operator interrupts a conversation that is in progress on the called line. The charge is for the interrupt service and does not depend on whether the called party agrees to release the line and accept the call.
- c. If an operator both verifies the condition of the line and interrupts conversation on the same request, the interrupt charge only applies.

S3.12 Reserved Telephone Numbers

b. The charge for this service is \$5.05 per reserved number, per month, plus applicable service charges.

S3.13 Toll Terminals

S3.13.1 General

- a. Long distance trunk service contemplates the furnishing of outgoing long distance toll message service with connection to the toll switchboard for hotel-motel and hospital customers who have private branch exchange service.
- b. Long distance trunk service is provided in exchanges where the Company's toll switchboard is located by the provision of direct circuits to the toll switchboard. At the option of the Company, long distance trunk service may be furnished for customers in tributary exchanges by allowing access to the existing long distance trunks through the use of a recorder announcer device to notify the toll operator of the requirement for time and charges.
- c. Incoming messages will not be completed over the long distance trunks, nor will outgoing local exchange calls or calls of any nature other than long distance.
- d. Long distance trunk numbers will not be listed in the telephone directory.

\$3.13.2 Rates and Charges

a. The rate groupings are the same as those specified in Section S3.

Toll Terminals, each

Rate Group	Installation Charge	Monthly Rate
	Charges as set forth in Section S4.3 for Business Individual Line Service	
1 2		\$ 21.90 23.38
3		25.95
4		30.45
5 6		33.48 37.06
7 .		40.36

S4. SERVICE CHARGES

S4.3 Schedule of Charges

a. Service Ordering

		Business	Residence
	(1) Initial Order, each(2) Subsequent Order, each(3) Supersedure Order, each	\$ 15.00 6.00 15.00	\$ 14.00 5.50 14.00
b.	Premises Visit, each	11.25	11.25
c.	Central Office Line Connection Work, each	19.00	19.00
đ.	Inside Wiring,* each	22.50	19.50
e.	Station Handling Work Charge PB and Centrex, each	X 4.50	-

f. Inside Cabling Charges (within the same building)

4	Charge
Inside Cable, 3 pair	
Per outlet	\$ 9.30
Per 10 feet of wire, each increment	4-90
Inside Cable, 25 Pair	
Per outlet	33.50
Per 10 feet of wire, each increment	9.50
Inside Cable, 50 Pair	
Per outlet	65.55
Per 10 feet of wire, each increment	13.65
Inside Cable, 75 Pair	
Per outlet	98.50
Per 10 feet of wire, each increment	18.20

Nonrecurring

S4.6 Restoration Charge

In the event service is temporarily suspended for non-payment of charges, such service will be restored upon payment of charges due or at the discretion of the Company, a substantial portion thereof, and in addition a restoration charge will apply.

Business \$ 25.00 Residence 24.50

^{*} Includes associated connecting apparatus.

S4. SERVICE CHARGES

S4.7 Maintenance of Service Charge

The customer shall be responsible for payment of service charges shown below for each visit by the Telephone Company to the premises of the customer, or authorized user, where the difficulty or trouble report results from the use of equipment or facilities provided by the customer, or authorized user.

(1) First 30 minutes, each premises

Business \$ 35.25 Residence 35.00

(2) Each additional 30 minutes or fraction thereof, each premises

Business or Residence \$ 13.50

S4.8 Relocation of Drop or Protector

- a. For relocation of the drop and/or protector, requested by the customer, the following charges are applicable:
 - (1) First 30 minutes, each premises, Business or Residence \$ 35.15
 - (2) Each additional 30 minutes or fraction thereof, each premises, Business or Residence \$ 13.50

S4.9 Modification of Single Line Instruments Connected to a Key System

a. A charge of \$11.00 is applicable for the required modification of each single line instrument, which includes change of line cord and/or change leads into the instrument, to be compatible with a key system.

S4.10 Return Check Charge

An administrative charge of \$10.00 will be applied by the Company for each time a check or bank is returned by a bank to the Company for the reason of insufficient funds.

S4. SERVICE CHARGES

S4.11 Jack Equipment and Adapters

S4.11.2 Rates and Charges

The following charges are in addition to applicable service charges listed elsewhere in this Tariff.

		Non-Recurring Charge
(1)	Nonweatherproof, Flush or Nonflush	
	3 or 4 Conductor Jacks, each This charge does not apply when the Inside Wiring Charge in Section S4 is applicable.	\$ 6.50
(4)	Data - programmed, per jack - universal, per jack	37.40 37.40

S4.13 Training Charge

S4.13.1 General

- a. A training charge applies where, subsequent to the initial installation of a Company-provided business system, the customer requests additional training.
- b. The training charge applies to the total time spent on the customer requested matter by qualified Company personnel, plus materials.
- c. The training charge does not apply to the initial training performed by Company personnel at the time of a new Company-provided business system installation.

S4.13.2 Charges

a. The following charges apply for training, and are in addition to the charge for materials.

First Hour \$40.00 Each additional 30 minutes or fraction thereof 20.00

b. A minimum charge of \$40.00 will apply.



S5.3 Special Service Arrangements

- S5.3.1 Centrex Service to U. S. Government-owned Systems Serving Certified Military Bases
 - (5) The following rates will apply in lieu of Centrex rates set forth in Section S12 of this tariff:

	Installation Charge	Monthly Rate
Each central office trunk arranged for dialing stations direct, subject to a minimum monthly charge of \$669.00 for each system.	\$ 44.00	\$ 26.75

S6. DIRECTORY LISTINGS

S6.4 Additional Listings

a. Additional listings for which a charge is made are furnished subject to Directory Listing regulations.

	Rates
Business	\$ 1.40
Residence	1.10

S6.5 Alternate Call Number Listings

c. A charge of \$1.65 per month is made for each alternate call number listing.

S6.7 Non-Published Telephone Numbers

S6.7.1 Rate Application

A monthly rate of \$2.00 applies for each non-published telephone number except when provided for the following services:

- a. Special Reversed Charge Toll Service (Enterprise Service).
- b. Foreign Exchange Service where the customer is also furnished local exchange service.
- c. Additional service furnished to the same customer who has other service listed in the directory at the same address.

S7. COIN TELEPHONE SERVICE

S7.2 <u>Semi-Public Telephone Service</u>

- S7.2.2 Coin Box Semipublic Service
 - b. The customer will collect the receipts of the coin box.
 - c. The Telephone Company, at the request of the customer, will replace the lock and key on a coinbox at a nonrecurring charge of \$35.00.

S7.2.3 Rates and Charges

c. The billing for semipublic service is composed of the monthly local rate stated below plus any additional optional services, toll, and applicable taxes.

Monthly	
Rate	Installation Charge
	\$ 73.00
As speci-	In addition to appropriate
fied in	Service Ordering, Premises
Section	Visit and Central Office
S3.2.1	Line Connection charges
	specified in Section S4.

S7. 3 Booths

S7.3.1 Rates and Charges

	Monthly Rate	Installation Charge
Acoustic Booth	\$ 4.70	\$ 190.00
Indoor Acoustic Booth	6.95	48.00
Indoor Shelfeete	2.85	48.00
Full Outdoor	23.10	190.00



S8.2 Rates and Charges

Monthly Rate

c. Secretarial line termination for lines terminating on the switchboard as off-premises extension terminations.

\$ 0.95



S9. FOREIGN EXCHANGE SERVICE AND FOREIGN CENTRAL OFFICE SERVICE



S9.2 Foreign Central Office Service

S9.2.2 Rates

a. The following charge applies to each circuit furnished in addition to the applicable zone rate for the service desired.

		Monthly Rate
(1)	First quarter mile or fraction thereof, circuit measurement, between the Central Office from which the customer would normally be served and the Foreign Central Office	\$ 6.60
(2)	Each additional quarter mile or fraction thereof, circuit measurement	2.05

\$12.1 ETSX Service

S12.1.4 Rates

		Nonrecurring Charge	Honthly Rate
b.	ETSX Main Terminations within the Zone 1 and serving Central Offices		
	area	*	\$ 25.60*
*	Service charges for single	line service i	ound elsewher

- re in this tariff.
- The ETSX Main Termination rates apply in addition to the Common Access Line Charge (CALC) shown in Tariff P.S.C. Ky. No. 6.

ETSX Service Options j.

	Nonrecurring Charge	Monthly Rate
(1) Attendant Consoles, each(2) Group Use Service, per	\$ 330.00	\$ 126.50
system arranged	99.00	-
(3) Remote Access (where available) An authorize party (using Touch Call instrument) may dial directly into the systeto gain access to facil ties such as WATS, FX trunks, etc., each line	em L 1 –	10.45
(5) Call Pickup Display Facility for displaying the identity of station which is part of one or more pickup groups, each	n r	
11 line display 24 line display	44.00 52.80	8.10 11.45

		Nonrecurring Charge	Monthly Rate
(6)	Dial Access Paging Allows attendant(s) and station users to activate signaling equipment with a code signal corresponding to the called code, each code	\$ 27.50	\$ 16.50
(7)	Dictation Access and Control Provides user with dial access to customer provided centralized dictation equipment and has dial control of all normal dictation system features, each port	291.50	49.50
(8)	Meet Me Conference Without attendant assistance, a station user may set up a conference in which, at a pre-determined time, all conferees meet in conference by dialing the con- ference number, each access code		
	Six Party Eleven Party	110.00 181.50	44.00 85.80
(9)	Dial Up Conference A station user may call a number of stations and/or trunks into confer- ence without the aid of the attendant, each code		
	Six Party Eleven Party	110.00 181.50	44.00 85.80

		Nonrecurring Charge	Monthly Rate
(10)	Speed Call Station user can place outgoing calls to numbers by dialing an access code plus a one or two digit code		
	System, 30 Number List, each list	\$ 11.00	\$ 3.30
	Station, 8 Number, each line Station, 30 Number,	11.00	2.75
	each line	11.00	5.50
(11)	Recorder Intercept - Announcer Incoming calls to unassigned stations will be intercepted by a recorded announcement, each recorder	55.00	49.50
(12)	Multi-line Hunting A group of lines arranged so that calls to a single number will cause the system to hunt across the lines in the group and seize the first idle line, each		
	four line group	13.20	1.75

Nonrecurring Charge	Monthly Rate
\$ 110.00	\$ 8.80
36.30 79.20	3.65 7.90
22.00	11.00
275.00	137.50
	\$ 110.00 36.30 79.20

	Nonrecurring Charge	Monthly Rate
(17) Music On Hold (where available) Provides centralized availability of customer provided audio source for system wide distribution to all "held call" conditions, each system	\$ 27.50	\$ 22.00
(18) Call Queueing-Outgoing (where available) System automatically queues outgoing calls on a priority basis, each group	165.00	99.00
(19) Advanced Toll Restriction (where available) Denies selected station lines completion of dialed outgoing calls to selected office and area codes, each list	55.00	17.60
(20) Call Forwarding Station user may temporarily reroute his calls to the attendant, another system station or either a local or toll number, each line	11.00	2.75
(21) Message Detail Recording Provides a record of FX, WATS, Tie Trunks, CCSA and DDD calls (does not include processing), each system	165.00	247.50

S12.2 Centrex Service

S12.2.9 Rates

d. Schedule of Rates

		Centrex CU -	Monthly Rates
		For Network	For Inter-
		Access*	Communication
(1)	Centrex CU		
	Main or Administrative		
	Centrex Lines		
	First 200 lines, each	\$ 29.90	\$ 5.50
	Next 400 lines, each	15.25	7.25
	Next 400 lines, each	10.65	6.15
	Over 1,000 lines, each	9.75	3.70
	2,000 2,000, 0000		
(2)	Centrex CO		
	Main or Administrative		
	Centrex lines		
	First 200 lines, each	29.90	6.05
	Next 400 lines, each	15.25	7.85
	Next 400 lines, each	10.65	6.75
	Over 1,000 lines, each	9.75	4.25
	Restricted lines, each	_	3,10
	Moderated Tilles, each		2 4 7 0

*The Network Access monthly rate applies in addition to the Common Access Line Charge (CALC) shown in Tariff P.S.C. Ky. No. 6.

		Monthly Rate
S12.2.10	Centrex Restricted Lines	
a. b.	CU Restricted Key System Main Line CU Restricted Station Line	\$ 3.10 3.10
c.	Key Extension Key In Lieu	0.95

S13. MISCELLANEOUS SERVICE ARRANGEMENTS

S13.2 Extension Service Mileage Charges

S13.2.1 General

c. When extension or PBX station lines are located outside the building in which the main station or switch is located, the following mileage charges are applicable:

Extension or PBX station lines (except as provided in g. through k.) not in the same building as the main station or private branch exchange switchboard and associated equipment, but located on the same continuous property as the main station or private branch exchange switchboard will carry an extension line mileage charge of \$0.60 per month for each one-tenth mile (528 feet) or fraction thereof, circuit measurement. This also applies to other circuit extensions of like character such as bells, gongs, etc.

- d. Extension or PBX station lines (except as provided in g. through k.) not located on the same continuous property or in the same building as the main station, private branch exchange switchboard or dial switching equipment and for other circuit extensions of like character, where permitted, an extension line mileage charge of \$1.50 per month is made for each quarter-mile (1,320 feet) or fraction thereof, circuit measurement.
- f. The following rates apply for special line conditioning associated with extension line service, as required.

Line Signaling Unit, each, per month \$7.20 Line Transmission Unit, each, per month 9.10

S13.3 Touch Calling Service

\$13.3.2 Rates and Charges

The following rates apply to any network access line (including PBX services) providing Touch Calling Service:

Monthly Rate

Residence, per line Business, per line \$ 1.65 2.75

The Central Office Line Connection Charge does not apply when service is changed from rotary dial operation to touch calling operation.

\$13.4 Custom Calling Services

S13. MISCELLANEOUS SERVICE ARRANGEMENTS

S13.4.3 Rates and Charges

	Monthly Rate	
		ine Equipped
	Residence	Business
Features:		
Call Waiting	\$ 2.90	\$ 5.25
Call Forwarding	1.80	3.60
Three-Way Calling	3.05	4.40
Speed Calling (8-Number	er) 1.80	2.75
Speed Calling (30-Numb	per) 2.20	3.60
Call Diversion	1.95	3.85

S13.5 Automatic Time and Charge Reporting Service

S13.5.2 Rates and Charges

	Installation Charge	Monthly Rate
Automatic Time and Charge		
Reporting Service	-	-
With Company Provided		
Terminal	\$ 75.00	\$ 49.50
Without terminal	-	27.50

S13.6 Direct Inward Dialing (DID) Service

S13.6.1 General

- a. DID service is furnished subject to the availability of facilities and telephone number and in accordance with conditions and regulations specified in Section S2 under "Provision of Equipment."
- b. The service includes central office switching equipment necessary for indialing from the network directly to station lines associated with customer premises switching equipment.
- c. The service must be provided on all PBX trunks in a group arranged for inward dialing.
- d. Customer-provided switching systems must be arranged by the customer to provide for the intercepting of Company assigned, but unused, station numbers.

S13. MISCELLANEOUS SERVICE ARRANGEMENTS

- e. DID numbers, which may be assigned to station lines or reserved for future use, are provided in blocks consisting of a minimum of 20 consecutive numbers in Electronic offices and 100 numbers in Step-by-Step offices at rates specified herein. The Company does not guarantee to provide number block consecutive to any other number block.
- f. Facilities and operational characteristics of interface signals between the Company-provided connecting arrangements and the customer-provided switching equipment must conform to the rules and regulations the Company considers necessary to maintain proper standards of service.
- g. A primary directory listing and additional listings will be provided in accordance with Section S6 of this tariff, under "Directory Listings."

S13.6.2 Rates and Charges

<u> </u>	onthly Rate
Direct Inward Dialing, Working or Reserved Numbers:	
Electronic Office - Minimum of 20 numbers For each group of 20 numbers Step-by-Step Office - Minimum of 100 number For each group of 100 numbers	\$ 10.00 8 50.00
Direct Inward Dialing Trunk, each (One required per PBX trunk to customer location)	25.00*

* The DID trunk rate is in addition to the monthly rate for PBX trunks.

	Nonrecurring Charge**
Engineering Charge, per request: Step-by-Step or Electronic Office	\$1,436.00
Installation Charge, per request: Step-by-Step Office - For each group of 100 numbers Electronic Office - For each group	741.00
of 100 or each additional 20 numbers per order	54.00

^{**} For each request for DID numbers, both an Engineering Charge and an Installation charge are applicable.

S17. MOBILE TELEPHONE SERVICE

S17.5 Rates

a. Measured Rate Mobile Service

The following rates, including one directory listings apply for each mobile unit registered in the base stations shown below:

Local Service:

- .

Base Station	Mo. Rate for Maximum 2 Hrs. of Use of the Radio Link on a Dial Basis
Lexington Ashland	\$ 27.50 27.50



S18.3 Special Reversed Toll Charge Service

S18.3.2 Rates

Each listing, per month, exclusive to toll charges (Appropriate service charges also apply)

\$ 6.60

S20. PRIVATE LINE SERVICE AND CHANNELS

S20.2 Intraexchange Private Line Service

S20.2.1 Local Private Line Service

b. Rates (in addition to all applicable Service Charges)

Mon	thly	Rate

(1) Channels

(a) For the first quarter mile or fraction (airline measurement)

\$ 6.60

(b) For each additional quarter mile or fraction (airline measurement)

2.05

S20.2.2 Local Private Line Data Service

b. Rates and Charges

(1) Channels

Each 2-wire	Circuit	6.95
Each 4-wire	Circuit	30.25

\$20.2.4 Channel Conditioning Arrangements

		Installation Charge	Monthly Rate
a.	Type C1 or C2	-	\$ 15.15
b.	Type Dl	\$ 264.00	8.75

\$20.2.5 Channel Modification Charge

a. General

- (1) Channels requiring unloaded cable facilities will be furnished only where operating and facility conditions exist. In the event that only loaded facilities are available, the Company will, at the customer's request, unload the facilities at the charges shown in S20.2.5.b.
- (2) Channel modifications (deloading) will only be made where the customer locations are within one central office serving area.



b. Rates and Charges

(1) Channel Modification Charge (Deloading Cable)

		Nonrecurring Charge
(a)	Removal of Load Coils in Underground Cable, each location	\$ 730.00
(p)	Removal of Load Coils in Aerial or Buried Cable, each location	455.00
(c)	Each Additional Pair Modified at the same point and the same time as the first pair (Underground, aerial or buried), per point	
	unloaded	5, 20

(2) Maintenance of Service Charge

Where a customer provides his own terminal equipment and the Company supplies the cable pair(s) to each point, the following maintenance of service charges will apply.

(a)	First 30 minutes	\$ 50.00
(b)	Each additional 30 minutes	30.00

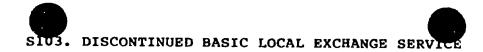


Monthly Rate

S23.3 Rates

Personal Signaling Service, each

\$ 10.60



S103.1 Joint User Service

- b. Rates
 - (d) Key Telephone System

One-half B-1 Rate For each B-1 Line Accessible

S109.1 Cross Boundary Foreign Exhange Service

a. General

The rates for Foreign Exchange Service provided from a contiguous or adjacent exchange by means of foreign exchange facilities, are as follows (all distances measured airline):

(1) Business service, monthly rates

		B-1, or P.B.X. Access Line
(a)	First half-mile or fraction between customer's location and the circuit junction point on the boundary line of the foreign exchange.	\$ 3.85
	Second half-mile or fraction between customer's location and the circuit junction point on the boundary line of the foreign exchange.	4.40
	Third half-mile or fraction between customer's location and the circuit junction point on the boundary line of the foreign exchange.	4.95
	Fourth half-mile or fraction between customer's location and the circuit junction point on the boundary line of the foreign exchange.	5.50



(2) Residence service, monthly rates

<u>R-1</u>	<u>R-2</u>	<u>R-4</u>
\$2.50	\$1.95	\$1.65
3.05	2.20	1.95
3.60	_	_
	\$2.50	\$2.50 \$1.95

CUSTOMER PREMISES PRODUCTS TARIFF T103. DISCONTINUED PRIVATE BRANCH EXCHANGE SERVICE

T103.6 Systems

T103.6	Systems	
		Monthly Rate
T103.6.1	Class A, Manual Cordless	
a.	Rates	
	(1) Switchboard 12 Station Lines and 3 Trunks Capacity 16 Station Lines and 5 Trunks Capacity 20 Station Lines and 5 Trunks Capacity	\$ 24.50 30.60 30.60
	(2) PBX Access Line	PBX Access Line Rate
	(3) PBX Station Line	1.10
	(4) Ringing Equipment	6.65
T103.6.2	Class B, Manual Cord System	
a.	Rates	
	(1) Switchboard, Non-Multiple Capacity 40 station lines or less, per position Capacity 41 to 80 station lines, per position	45.95 53.35
T103.6.3	Class C, Dial System	
a.	Rates	
	(1) Switching Equipment First 30 stations, test and attendant's lines equipped, (Minimum 20 station lines) per line equipped Next 50 stations, test and attendant's lines equipped, per line equipped Next 20 stations, test and attendant's lines equipped, per line equipped	4.75 4.25 3.80



- (2) Attendant's Cabinets
 - (a) Turret Type (excluding attendant's facilities used in Class D dial systems)

	Monthly Rate
Key Sending Set	
Leich Type 40	\$ 21.45
Leich Type 80	21.45
Leich Type 100	21.45

- (b) Switchboard, Non-Multiple Type Capacity 40 station lines or less, per position \$45.95
- (4) Attendant's Trunks, each \$ 5.60
- T103.6.5 Class D, Dial Systems
 - c. Rates Switching Equipment

Types I and II:

- (1) Switching Equipment
 Pirst 30 stations, test and
 attendant's lines equipped
 (minimum, 20 station lines),
 per line equipped \$ 4.75
 Next 50 stations, test and
 attendant's lines equipped,
 per line equipped \$ 4.25
 Next 20 stations, test and
 attendant's lines equipped,
 per line equipped \$ 3.80
- d. Rates Type I Attendant's positions and provisions for expanded dial service.

		Monthly Rate
(1)	Turret Equipped for ten central office trunks	\$225.50
	Each additional central office trunk equipped	17.35



		Monthly Rate
	(2) Turret or Console Equipped for ten central office trunks and a busy lamp field equipped for 100 lines	\$306.90
	Each additional central office trunk equipped-See T103.6.5d(1)	
	Each additional 100 line capacity of busy lamp field	\$ 34.60
T103.6.6	Hotel and Motel Dial Systems	
b.	Rates	
	(1) Private Automatic Branch Exchange	(P.A.B.X.)
	a. Attendant's Position	
		Monthly Rate
	Leich Type 40 Leich Type 80	\$ 21.45
	Up to 10 trunk capacity Over 10 trunk capacity	21.45 42.90
c.	PBX Station Lines	0.55
T103.7	Optional PBX Equipment	
T103.7.1	Conference Equipment	as.
d.	Rates	
	(1) Dial Type Local Connections Only Via Local Links, Meet-Me-Type	12.05
	10 Stations Local and Trunk Connections	13.85
	Each Five-Line Unit	24.20



Monthly Rate

15.90

(2)	Dial Type Progressive Conference Service
	Attendant or Station Controlled
	(for Class D - Type II equipped
	systems) maximum capacity 10
	conferees per unit.
	(Limitation - 2 trunks per
	conference)

1st Progressive Conference Circuit - per system \$178.20

Additional Progressive Conference Circuit - same system 133.10

T103.7.2 Line Busy Lamp Field

For displaying the station lines that are busy.

	For displaying the station lines that are busy.			
			Mo	onthly Rate
		Lamp Field (L-40) Lamp Field (L-80)	\$	14.60 25.30
T103.7.3	Toll	Diverting and Restricting Equipmen	t	
b.	Rates			
	(1)	Class C & D Expandable System Toll diverting equipment		9.10
	(2)	Class C Non-Expandable System Toll diverting or toll restricting equipment		
		Trunks 1 to 5, per trunk (L-40)		10.80
		Trunks 6 to 10, per trunk (L-40) Trunks 1 to 12, per trunk (L-80		
		£ 100)		10.80

T103.7.4 Message Waiting Lamp Telephone

& 100)

b. Rates

Turret, or switchboard mounted provided space is available, equipped with a maximum of 200 lighting circuits 55.00 Message Waiting Lamp 0.30

Over 12 trunks, per trunk (L-80



T103.7.5 Metered Message Service

b. Rates

		Monthly Rate
	(1) Metered Message Service, common equipment	\$ 22.50
	(2) Metered Message Service, in addition to PABX trunk rate, per trunk	1.05
	(3) Station Meter, in addition to regular station rate, per station	0.30
	(4) Station Meter Cabinet	8.65
T103.7.6	Centralized Dictation Service	
b.	Rates	
	(1) Expandable system (AE 75 & 300 series), including 100 feet of cable per link. One line required per dictating machine: First link	42.90
T103.7.7	Auxiliary Power Supply	
b.	Rates	
	80 line unit	25.90
T103.7.9	Tie Line Terminations, PBX and Centrex	
b.	Rates	
	Class A and Class B Manual Systems	
	Manual Tie Line Terminals	
	Tie Line Terminal Arranged Manual (Attendant Controller), each	12.65
	Class C Dial System - (Non-expandable)	
	Dial Tie Line Terminations	
	Dial one-way Tie Terminal, each Dial two-way Tie Terminal, each	20.90 26.95



Monthly Rate

Class C and D Dial Systems (Expandable)

Dial Tie Line Terminations

Dial	one-way	Tie	Terminal,	each	\$	20.90
			Terminal.		•	33.65

c. Tie Line Mileage Charges

First quarter mile	or fraction	thereof,	
circuit measurement	: between sw	vitcboards	6.60

Each additional quarter mile or fraction thereof, circuit measurement, between switchboards 2.05

The minimum charge for each tie line is \$6.60 per month.

Tie Line Termination mileage airline measurement 6.60

T103.8 Secretarial Switchboard

b. Rates

No. 557-B Non Multiple Secretarial Switchboard position, equipped for 40 secretarial lines, 5 central office trunk lines and common equipment

199.10

Additional equipment units for 20 secretarial lines, each

18.10

T103.9 Dial Systems

T103.9.1 Series 48, Dial Systems - Vintage 1976

b. Rates and Charges

(2) Basic Package

200L 421, 422, 423

CONTRACT Rates
Level B \$ 288.10

Basic Package

200L 432, 433

CONTRACT Level B

342.60

Basic Package - Low Capacity Trunking

300L 831 A

CONTRACT Rates \$ 504.20

Standard Trunking

300L 833

CONTRACT Level B 645.45

Basic Package

300L 835

NON-CONTRACT
Monthly Rate 1,480.20

(3) Items of Equipment

Item 1. Turret Equipment
40 Trk. Turret on 400 e/w Handset and 100 Ft. Cable

CONTRACT Rates

Level B \$ 16.85

40 Trk Turret on 800 e/w Handset and 100 Ft. Cable

CONTRACT

Level B \$ 19.65

NON-CONTRACT
Monthly Rate 58.10



80 Trk Turret on 800 e/w Handset and 100 Ft. Cable

80 Trk Turret on 800 e/w Handset	and	100	Ft.	Caple
NON-CONTRACT	Re	tes		
Monthly Rate	\$	76.	25	
Number Display, Per Turret				
CONTRACT Level B NON-CONTRACT		9.	50	
Monthly Rate		16.	00	
Item 2. Line Variables on 400 & Each 10 Lines on 6 Path System	800			
CONTRACT Level B		4.5		
Each 10 Lines on 7 Path System				
CONTRACT Level B NON-CONTRACT		4.	70	
Monthly Rate		13.	70	
Each 10 Lines on 8 Path System				
CONTRACT Level B		4.	70	
NON-CONTRACT Monthly Rate		14.	25	
Item 3. Trunk & Junctor Variable "C" Matrix for each 5 Trks (6 Pa	s on	400	& 8	00
CONTRACT Level B	<u>R</u>	ates 9.	20	
"C" Matrix for each 5 Trks (7 Page 1987)	th)			
CONTRACT Level B		9 .	40	
NON-CONTRACT Monthly Rate		27	. 15	





"C" Matrix for each 5 Trks (8 Path)

CONTRACT	Rates
Level B	\$ 9.35
NON-CONTRACT	
Monthly Rate	27.70

B Matrix 1 ea. per 50 Line (6 Path)

CONTRACT	Rates
Level B	\$ 4.35

B Matrix 1 ea. per 50 Line (7 Path)

CONTRACT	Rates		
Level B	\$ 4.80		
NON-CONTRACT	•		
Monthly Rate	13.90		

"B" Matrix 1 ea. per 50 Line (8 Path)

CONTRACT	Rates		
Level B	\$ 5.40		
NON-CONTRACT			
Monthly Rate	15.75		

"C" Matrix for each 6 Junctors

CONTRACT	
Level B	4.60
NON-CONTRACT	
Monthly Rate	12.60

Item 4. Junctors
Junctor Regular, each

CONTRACT	
Level B	2.25
NON-CONTRACT	
Monthly Rate	7.05

Junctor Call Back, each

CONTRACT	
Level B	5.55
NON-CONTRACT	
Monthly Rate	10.65



Item 5. Trunks Information Trunk	
CONTRACT Level B NON-CONTRACT	Rates \$ 2.55
Monthly Rate	6.80
C.O. or FX Trunk w/o Transfer	
CONTRACT Level B	4.75
C. O. or FX Trunk with Transfer	
CONTRACT Level B	5.15
MON-CONTRACT Monthly Rate	14.35
Toll Trunk w/o Transfer	
CONTRACT Level B	3.00
NON-CONTRACT Monthly Rate	6.55
Two-Way Dial Tie Trunks E&M with	Transfer
CONTRACT Level B	Rates \$ 5.75
NON-CONTRACT Monthly Rate	17.65
Dedicated Register	
CONTRACT Level B	1.40
NON-CONTRACT Monthly Rate	3.75
Dedicated Register Coupler	
CONTRACT Level B	1.60
NON-CONTRACT Monthly Rate	4.35
-	



Item 6. Conference Circuits Meet-Me-Conference on 8 Path System

CONTRACT Level B	Rates \$ 4.65
Dial-Up Conference	
CONTRACT Level B NON-CONTRACT	7.60
Monthly Rate	19.50
Item 7. Paging Adapter On 7 Path System	
CONTRACT Level B	4.65
On 8 Path System	
CONTRACT Level B NON-CONTRACT	4.70
Monthly Rate	14.40
Item 8. Call Back	
CONTRACT Level B	5.90
NON-CONTRACT Monthly Rate	12.00
Item 9. Consultation Over Sec Equipment Required Per System	cond Trunk
CONTRACT Level B	<u>Rates</u> \$ 0.85
Equipment Required for each o	roup of 5 Trunks
CONTRACT Level B	Rates \$ 1.60
Item 10. Outgoing Register S One for Trunks 1 -12	Senders
CONTRACT Level B	Rates \$ 11.30
NON-CONTRACT Monthly Rate	34.25



One for Trunks 13-20, 33-40, 53-60, 73-80

0.00 Lot 124 13 20, 33 40, 33 00, 73 00
CONTRACT Rates Level B \$ 4.80
NON-CONTRACT Monthly Rate 11.95
One for Trunks 21-32, 41-52, 61-72
CONTRACT Level B 10.30
Monthly Rate 30.25
One for Trunks 1 - 12
CONTRACT Level B 11.30 NON-CONTRACT
Monthly Rate 34.25
One for Trunks 13 - 20
CONTRACT Level B 6.25
NON-CONTRACT Monthly Rate 13.15
One for Trunks 21 - 30
CONTRACT Level B 8.00

Item 11. Toll Diversion/Toll Restriction Toll Diversion (Block 0 & 1)

Toll Restriction to Area Codes & Office Codes

CONTRACT	Rates
Level B	\$ 3.50
NON-CONTRACT	
Monthly Rate	5.80

Item 12. Tone Dial Equipment

Tone Converter Scanner

CONTRACT	
Level B	2.25
NON-CONTRACT	
Monthly Rate	2.60





Tone Dial Converter

CONTRACT Level B NON-CONTRACT Monthly Rate	Rates \$ 10.05 15.30
Tone Dial Coupler	
CONTRACT Level B NON-CONTRACT Monthly Rate	3.15 4.85
Item 13. Number Translation	
CONTRACT Level B	9.50
Item 14. Call Blocking & Specia	l Service Routing
CONTRACT Level B	Rates \$ 1.60
Item 15. Busy Lamp Field	
CONTRACT Level B	9 .90
Item 16. Night Answer Console	
CONTRACT Level B	4.40
Item 18. Digit Transfer	
CONTRACT Level B NON-CONTRACT	2.40
Monthly Rate	4.10
Item 22. "D" Cabinet	
CONTRACT Level B	17.00
Item 23. Front Control Gate No.	2
CONTRACT Level B NON-CONTRACT	8.65
Monthly Rate	24.40



Item 24A. Speed Calling Control

CONTRACT	Rates
Level B	\$ 1.50
NON-CONTRACT	
Monthly Rate	3.65

Item 24B. Speed Calling Store

CONTRACT		
Level B		1.85
NON-CONTRACT		
Monthly Rate	·-	4.55

Item 27. Standby Power

CONTRACT	
Level B	31.05

Item 28. Message Registration

Message Registration Device per 50 lines

NON-CONTRACT	Rates
Monthly Rate	\$ 3.90

Message Registers per 10 lines

NON-CONTRACT Monthly Rate

7.10

Item 29. Message Waiting & Do Not Disturb Control Circuit

CONTRACT	Rates
Level B	\$ 0.85

Equipment Required per each 100 lines.

CONTRACT	Rates
Level B	\$ 12.15

Item 30. "H" Cabinet

CONTRACT
Level B 24.70

Item 36. Electronic Message Registration "M" Cabinet Only

CONTRACT Rates
Level B \$ 11.95



EMR Gate e/w 512 stores and 1 console

CONTRACT Rates
Level B \$91.00

Printer e/w 100 feet of cable

CONTRACT Level B

31.05

T103.9.3 Series 80S, Dial Systems - Vintage 1981

- b. Rates and Charges
 - (2) Basic Packages
 Basic System

CONTRACT
Level B 157.05
NON CONTRACT
Monthly Rate 485.15

(3) Standard System Adders
Line Equipment - 5 Station Numbers per card

CONTRACT Rates
Level B \$ 8.75

Junctors - 8 junctors per card

CONTRACT Level B

13.95

Trunk Equipment 2-Way, Loop Start C.O., 4 CCT/Card

CONTRACT Level B 7.55

2-Way, Ground Start C.O., 4 CCT/Card

CONTRACT
Level B \$ 7.85

NON CONTRACT
Monthly Rate 15.10



(4)

SECULOR

T103. DISCONTINUED PRIVATE BRANCH EXCHANGE SERVICE

E & M Tie Trunk, 4 CCT/Card

CONTRACT Level B NON CONTRACT Monthly Rate Tandem Tie Trunk Control	Rates \$ 7.45 12.91
CONTRACT Level B	4.05
Matrix Equipment Matrix 20 x 16 CONTRACT	
NON CONTRACT Monthly Rate	13.25 29.30
Matrix 20 x 8	-
CONTRACT Level B NON CONTRACT Monthly Rate	9.70 18.25
Matrix 10 x 16	
CONTRACT Level B Optional Features	11.15
Attendant Headset, each CONTRACT	
Level B NON CONTRACT Monthly Rate	3.45 4.82
Attendant Controlled Conference CONTRACT	
Level B NON CONTRACT Monthly Rate	8.90 25.45
Dictation Access	
NON CONTRACT Monthly Rate	18.10

Dial Call Pickup Signalling

103.9.5

b.

	CONTRACT Level B	Rates \$ 6.90
		¥ 0.30
	Touch Call Equipment	
	CONTRACT Level B	15.20
	NON CONTRACT Monthly Rate	30.30
	Tone Receivers	30.30
	CONTRACT	
	Level B NON CONTRACT	6.85
	Monthly Rate	18.10
	Sender Circuit	
	CONTRACT Level B	4.90
	Call Waiting	
	CONTRACT Level B	3.15
	Code Call	
	CONTRACT Level B	5.00
Serie	es 120 System - Vintage 1981	
Rates	s	
(2)	Basic Systems	
	Series 120A Basic System	
	CONTRACT	APA 44
	NON CONTRACT	252.00
	Monthly Rate	644.05



Series 120M (Motel) Basic System

CONTRACT	Rates
Level B	\$250.25
Sarios 1200 Basic System	

Series 120C Basic System

CONTRACT Level B 244.65 NON CONTRACT 600.50 Monthly Rate

(3) Standard System Adders (For all Series 120 Systems)

Station Line Circuit Card

CONTRACT	Rates
Level B	\$ 16.90
NON CONTRACT	
Monthly Rate	30.15

Trunk Equipment Card

CONTRACT	
Level B	15.85
NON CONTRACT	
Monthly Rate	25.95

E/M Tie Trunk Card

15.30
23.40

Line Busy Lamp Card,

CONTRACT	
Level B	6.15
NON CONTRACT	
Monthly Rate	13.65

Expansion Unit (Series 120A or 120C)

CONTRACT	Rates
Level B	\$ 8.30
NON_CONTRACT	
Monthly Rate	26.25

Expansion Unit (Series 120M)

CONTRACT	
Level B	8.40



(4) Optional System Features (For Series 120 Systems)

Touch Call Receiver

CONTRACT	Rates
Level B	\$ 3.05
NON CONTRACT	
Monthly Rate	9.90

Dictation, Paging, Code Call Access Circuit

CONTRACT	RATES
Level B	\$ 4.20
NON CONTRACT	
Monthly Rate	11.40

Universal Page Access Circuit Page

CONTRACT	
Level B	5.55
NON CONTRACT	
Monthly Rate	16.75

Retrofit Feature Package

CONTRACT	
Level B	15.55

Conference Call Circuit Meet-Me-Conference

CONTRACT	Rates
Level B	\$ 9.80
NON CONTRACT	
Monthly Rate	18.15

Message Detail Recording Unit

CONTRACT	
Level B	62.05

Dial Call Pickup Display Unit

CONTRACT	
Level B	2.10
NON CONTRACT	
Monthly Rate	6.30

Dial Call Pickup Display Unit

CONTRACT	
Level B	3.15
NON CONTRACT	
Monthly Rate	10.20





Additional Attendant Headset,

CONTRACT Level B

Rates \$ 1.95

(5) Optional Hotel/Motel Features (For Series 120M System Only)

Key Entry Display Unit

CONTRACT Level B

Rates \$ 22.15

Printer

CONTRACT Level B

17.75

Dual Remote Interface

CONTRACT Level B

4.35

Automatic Wake-Up Service (with Recorded Voice Response) and Message Metering Service

CONTRACT Level B Rates \$ 25.60

Message Waiting Service

CONTRACT Level B

14.30

Paging and Recorded Announcement Access CKT

CONTRACT Level B Rates \$ 3.85

T103.9.7 Focus II

- c. Rates and Charges
 - (4) Focus II System Vintage 1981

Equipment Cabinet No. 1 - Non-Redundant System - Basic Common Equipment

CONTRACT Level B Rates \$325.25



Attendant Console - Common Equipment

CONTRACT Rates
Level B \$ 22.50

Attendant Console - Basic without Busy Lamp Field or Direct Station Select

CONTRACT
Level B Rates
\$ 39.90

Attendant Console - e/w Busy Lamp Field and Direct Station Select

CONTRACT Rates \$ 47.50

Both Way Trunk Card

CONTRACT Level B 10.15

Regular Loop Lines

CONTRACT Level B 5.25

Touch Calling Receiver Card

CONTRACT Level B 5.15

Memory Expansion

CONTRACT Level B 9.40

Trunk Bypass

CONTRACT Level B 5.05

Paging, Code Call, Universal Night Answer

CONTRACT Rates \$ 3.90

Hotel/Motel or Hospital Features

Basic Package Adder

CONTRACT Level B 14.20

Front Desk Consoles

		LEGIT BOSK CONSOZOS	
		CONTRACT Level B	Rates \$ 39.95
		Printer	
		CONTRACT Level B	14.55
		Motel Feature Package Room Restriction	
		CONTRACT Level B	4.75
T103.9.8	Seri	es CBX Systems - Vintage 1979	
c.	Rate	es and Charges	
	(8)	Items of Equipment	
		Item No. 1 SCBX Basic System	
		CONTRACT Level B	287.65
		Item No. 1A SCBX Basic System	
		CONTRACT Level B	344.45
		Item No. 1C. VSCBX Basic System - Model I	
		CONTRACT Level B	350.40
		Item No. 1D. VSCBX Basic System - Model II	
		CONTRACT Level B	384.25
		Item No. 2 Trunk Group	
		CONTRACT Level B NON CONTRACT	8.40
		Monthly Rate	25.80

<u>Item No. 3</u> Trunk Expander CONTRACT Rates Level B \$ 1.55 Item No. 4 Line Equipment CONTRACT Level B 19.10 Item No. 5
Rotary Common Equipment CONTRACT Level B 14.85 Item No. 16 Standby Queueing CONTRACT Level B 6.35 Item No. 18
Route Optimization I CONTRACT Level B 14.40 Item No. 18A Route Optimization II CONTRACT

Item No. 20 Call Forwarding CONTRACT Level B 2.55 Item No. 21A Direct Inward Dialing CONTRACT NON CONTRACT Monthly Rate 63.20

22.15

Level B

40. 145.45	
CONTRACT Level B	11.95
Devel D	11495

Item No. 23
Satellite Operation

Item No. 24A Outward CDR - List

CONTRACT Level B

Rates \$ 29.65

Item No. 24C
1 Outward & Inward CDR - CDR Magnetic Tape Unit &
Associate Software

CONTRACT Level B

Rates \$103.80

Item No. 24D Inward CDR - List

CONTRACT Level B

24.75

Item No. 24G Inward/Outward CDR

CONTRACT Level B

20.15

Item No. 25
Message Registration

CONTRACT Level B

8.30

Item No. 126A
Cabinet #1, (AC Powered) not wired for Redundancy of Common Control

CONTRACT Level B Rates \$198.85

Item No. 126B
Cabinet #1, (AC Powered) wired for Redundancy of
Common Control

CONTRACT Level B

Rates \$223.25

Item No. 126C
Cabinet \$1, (DC Powered), e/w Redundant Common
Control and Power

CONTRACT Level B

Rates \$230.70

Item No. 126D Cabinet #1, (DC Powered) e/w Control Only	Redundant Common
CONTRACT Level B	Rates \$247.50
Item No. 127B Cabinet #2 (AC Powered) wired Common Control.	for Redundancy of
CONTRACT Level B	Rates \$139.00
Item No. 127C Cabinet #2 (DC Powered) e/w Control and Power	Redundant Common
CONTRACT Level B	Rates \$128.15
<pre>Item No. 127D Cabinet #2 (DC Powered) e/w Control Only</pre>	Redundant Common
CONTRACT Level B	Rates \$244.70
Item No. 128A Cabinet #1	
CONTRACT Level B	86.80
Item No. 128B Cabinet #2	-
CONTRACT Level B	34.35
Item No. 130 Attendant Console, each	
CONTRACT Level B	52.45
Item No. 131 Trunk Group Common Equipment	
CONTRACT Level B NON CONTRACT	8.65
Monthly Rate	26.55

Item No. 132 CO/FX/WATS Trunk Termination Card

CO/FX/WATS Trunk Termination Card	
CONTRACT Level B NON CONTRACT Monthly Rate	**************************************
Ttem No. 133A DID Trunk - Common Equipment	
CONTRACT Level B NON CONTRACT	- 13.35
Monthly Rate	29.90
Item No. 133B. DID Trunk Card	
CONTRACT	10.45
Level B NON CONTRACT	19.45
Monthly Rate	63.20
Tie Trunk Termination Card (E&M T	ype)
CONTRACT Level B	Rates \$ 12.75
NON CONTRACT Monthly Rate	48.50
Item No. 134A Tie Trunk - Common Equipment (E&M	Type)
CONTRACT Level B	<u>Rates</u> \$ 13.05
Item No. 134B Tie Trunk Card	
CONTRACT Level B	12.10
Item No. 135 Regular Loop Lines	
CONTRACT Level B	16.40

710

T103. DISCONTINUED PRIVATE BRANCH EXCHANGE SERVICE

Item No. 135A Regular Loop Lines

Regular Loop Lines	
CONTRACT Level B	Rates \$ 20.10
Item No. 135B Regular Loop Lines - Common Equipme	ent
CONTRACT Level B NON CONTRACT	* 7.65
Monthly Rate	25.50
Item No. 135C Regular Loop Lines - Line Card Only	Y
CONTRACT Level B	6.50
MON CONTRACT Monthly Rate	15.85
Item No. 136 Long Loop Lines	
CONTRACT Level B	25.35
Item No. 136A Long Loop Lines	
CONTRACT Level B	28.85
<u>Item No. 136B.</u> <u>Long Line Loops - Common Equipment</u>	
NON CONTRACT Monthly Rate	23.30
Item No. 136C Long Loop Line - Line Card	
NON CONTRACT Monthly Rate	23.30
Item No. 137 Rotary Dial - Common Equipment	
CONTRACT Level B	16.85



Item No. 137B Rotary Registers	_	Common	Equipment
CONTRACT Level B			<u>Rates</u> \$ 13.35

Item No. 137C Each Additional 200 lines.

CONTRACT Level B 2.70

Item No. 137D Rotary Sender Common Equipment

CONTRACT Level B 13.95

Item No. 138
Touch Calling Common Equipment

CONTRACT Level B 71.35

Item No. 139.
Memory Expansion

CONTRACT Level B 17.95

Item No. 139A Memory Expansion

CONTRACT
Level B 47.75
NON CONTRACT
Monthly Rate 187.45

Item No. 140 Trunk Bypass

CONTRACT
Level B 7.00
NON CONTRACT
Monthly Rate 17.20

Item No. 141
Two Channel Input-Output Interface

CONTRACT
Level B 8.55
NON CONTRACT
Honthly Rate 34.00



Item No. 144 Key Telephone Common Equipment	
CONTRACT Level B	Rates \$ 13.75
<u>Item No. 146</u> Advance Features - First Cabinet	
CONTRACT Level B	20.50
Item No. 146A Additional Cabinet	
CONTRACT Level B	8.20
Item No. 147 Callback Queueing	
CONTRACT Level B	19.55
Item No. 148 Standby Queueing	
CONTRACT Level B	10.40
Item No. 149 Call Forwarding	
CONTRACT Level B	10.90
Item No. 150 Direct Inward System Access	
CONTRACT Level B	8.20
NON CONTRACT Monthly Rate	29.05
Item No. 151 Direct Station Dialing	
CONTRACT Level B	8.60





T103. DISCONTINUED PRIVATE BRANCH EXCHANGE SERVICE

Item No. 151A Direct Inward Dialing

Direct Inward Dialing	
CONTRACT Level B	Rates \$ 8.70
Item No. 152 Intercom Blocking	
CONTRACT Level B	11.55
Item No. 153 Route Optimization I	
CONTRACT Level B	17.90
Item No. 153A Route Optimization II, Cabinet #1	
CONTRACT Level B	19.07
Item No. 153B Route Optimization II, Cabinet #2	
CONTRACT Level B	10.90
Item No. 154 Toll Restriction	
CONTRACT Level B	5.75
Item No. 156A Outward CDR - List - First Cabinet	
CONTRACT Level B NON CONTRACT	29.35
Monthly Rate	122.25
Item No. 156B Additional Cabinet	
CONTRACT Level B	11.35





15.00

T103. DISCONTINUED PRIVATE BRANCH EXCHANGE SERVICE

Item No. 156K
Inward/Outward CDR - First Cabinet

CONTRACT Rates Level B \$ 23.35 Item No. 156L Additional Cabinet CONTRACT Level B 2.10 Item No. 158
Automatic Call Distribution CONTRACT Level B 15.45 Item No. 158A Automatic Call Distribution I CONTRACT 20.90 Level B Item No. 158D Automatic Call Distribution II CONTRACT 47.15 Level B Item No. 158F Automatic Call Distribution I or II CONTRACT 27.50 Level B Item No. 158G Automatic Call Distribution CONTRACT 3.50 Level B Item No. 160 Recorder Announcer CONTRACT 8.45 Level B

NON CONTRACT

Monthly Rate





Item No. 161 Common Equipment

CONTRACT Level B NON CONTRACT Monthly Rate	Rates \$ 75.65 165.05
Item No. 161A. Electronic Telephone Keysets	
CONTRACT Level B NON CONTRACT Monthly Rate	11.50 17.80
Item No. 162. Automatic Network Dialing	
CONTRACT Level B	26.55
Item No. 162A. Cabinet #2	
CONTRACT Level B	11.45
Item No. 168 3-Hour Reserve	
CONTRACT Level B	109.70
Item No. 171 Expanded Traffic	
CONTRACT Level B	6.15
NON CONTRACT Monthly Rate	24.00

T103.9.9 Series CBX Systems - Vintage 1981

- b. Rates Vintage 1981
 - (5) Items of Equipment

Item No. 1A Model I

CONTRACT Level B 350.40

T103. DISCONTINUED PRIVATE BRANCH EXCHANGE SERVICE

Item No. 3G

DC System	
CONTRACT Level B	Rates \$311.30
Item No. 4E DC System	
CONTRACT Level B	314.50
Item No. 5C DC System	
CONTRACT Level B	315.65
Item No. 104A Common Equipment	
CONTRACT Level B	7.70
Item No. 104B Line Card	
CONTRACT Level B	5.85
Item No. 115A Common Equipment	
CONTRACT Level B	8.70
Item No. 115B Common Equipment	
CONTRACT Level B	7.85
Item No. 120 Power and Computer Pailure Bypass	
CONTRACT Level B	7.10
Item No. 125A Rotary Equipment	
CONTRACT	

14.05



1103. DISCONTINUED PRIVATE BRANCH EXCHANGE SERVICE

Item No. 150C Five (5) Hour Reserve

CONTRACT Level B

Rates \$129.30

Item No. 272B

CONTRACT Level B

11.95

T103.9.10 ROLM Electronic Computerized Systems-Vintage 1982

d. Rates - Vintage 1982

(8) Expander

CONTRACT Rates
Level B \$ 4.65

(9) 16 Channel Coder Card

CONTRACT Level B

5.60

(10) 16 Channel Decoder Card

CONTRACT Level B

5.40

(11) 8 Channel Line Interface

CONTRACT Level B

6.15

(19) Interface Motherboard

Motherboard 4-1 CONTRACT Level B

3.40

T103.9.11 Charges for Subsequent Additions or Changes

The following one time charges are applicable for subsequent additions or changes to electronic PBX systems mentioned below, and are in addition to other charges specified in this section and other sections of this tariff.



- a. Engineering Charges
 - (1) Major Change Charge Applies to the following systems:

ROLM

The application of this charge is determined by Engineering and applies in addition to other charges

(2) Minor Change Charge - Applies to the following systems: \$4,455.00.

ROLM GTD-120 Focus II

This charge is applicable anytime a subsequent change and/or addition of hardware and/or software is made which requires Engineering time: \$1,070.00.

*When changes are being made which include both a Major and a Minor Charge, only the Major Change Charge applies.

b. Additions, Deletions, or Changes which are done at a teletype interface. Applies to the following systems:

ROLM GTD-120 Focus II

- (1) For the first feature addition or change made to an existing line: \$9.50.
- (2) For each additional feature addition or change made at the same time: \$1.90.

T103.9.12 Series El20 System

	Monthly Rate
Common Equipment Includes 40 lines and 8 trunks	\$294.80
Attendant Turret	41.80
Attendant Turret with Busy Lamp Pield	66.00
Touch Call Common Equipment lst 15 Stations	57.20



T103. DISCONTINUED PRIVATE BRANCH EXCHANGE SERVICE

		nthly ate
Call Waiting Per Line	\$	4.65
Dial Call System		7.15
Dial Call Pickup		3.90
Dial Call Pickup Common Equipment Up to 5 groups & 20 stations		8.00
Trunk Terminations Beyond 8		8.65
Auxiliary Trunk Termination		13.00
T103.9.13 400 and 800 PABX		
Basic Equipment 1-12 trunks 13-20 trunks 21-30 trunks		33.55 42.90 61.45
Call Back 1st 200 Lines		44.00
Call Back Additional 100 Lines		14.45
Call Blocking		2.95
Number Translation Each 100 Lines		19.80
Dial Up Conference One Trunk 5 Stations		18.70
Basic Touch Call System		45.10
T103.9.14 Other PBX Equipment		
Attendant Conference		25.50
Dial Code - 36		11.00
Disc 2 System		15.95
Interface Trunk Unit		16.95
Monitor Position Equipment		6.75
Message Service Position, 100 Line	35	287.10
Additional Message Service, each added line 2.25		



	Monthly Rate
Automatic Waiting/Do Not Disburb	\$ 25.95
Night Answer AE 50-B	5.30
Common Equipment 6-10	447.70
Single Digit Line	. 4.30
Sound Scriber Terminal-112	10.45
Sound Scriber Terminal-212	3.80
Message Waiting Turret, L80	26.60
Camp-On Busy First 5 Trunks Over 5 Trunks	37.20 6.05
Unattended Station Equipment	5.65
Type II Turret on Table Console	266.95
Each Additional 5 Telephones Terminated	11.00
Additional 6 Line Key Strip	2.60
Business Extension Key In Line	0.95
One Way Expandable Information Tr	unk 2.55
PBX 800 Standby Power 1	68.65
SCBX Management Reporter	60.32

T104.1 Rates

		Monthly Rate
a.	Power Amplifiers	
	Power Booster, 25 Watt	\$ 5.60
	Power Booster, 40 Watt	7.60
	Power Booster, 40 Watt w/relay	9.20
	Power Booster, 75 Watt w/relay	11.15
	Power Booster, 150 Watt w/relay	14.35
b.	Cone Type Reproducers	
	Reproducer, 4 inch wall mount	1.25
	Reproducer, 4 inch surface mount	1.40
	Reproducer, 5 inch surface mount	1.55
	Reproducer, 5 inch surface mount Reproducer, 6 inch wall mount	1.55
	Reproducer. 6 inch surface mount	1.75
	Reproducer, 8 inch wall mount	1.75
	Reproducer, 8 inch wall mount Reproducer, 8 inch sloping front	2.00
	Reproducer, 8 inch bi-directional	2.10
c.	Trumpet Reproducers	
	Trumpet w/o Transformer Trumpet Transformer	2.35
	Intermediate Trumpet w/Transformer	0.75 3.20
	Trumpet w/Transformer	4.20
	Dual Horn Trumpet w/Transformer	3.85
	Trumpet Explosive Proof	8.00
	Trumpet - Reflex Model 5A125	1.60
đ.	Other Speakers and Accessories	1.00
	Driver 30 Watt Model 5A135	2.70
	Paging Tel. Additional Speaker	2.35
	Baffle Model 6L100	6.75
	Speaker, Two Watt Model 6A185	1.60
	Speaker, Wall Model 6A185	6.75
	Speaker, Model SR8W4	1.75
	Speaker, 10 Watt	3.75
	Loudspeaker, 107A	3.30
e.	Telephone System Input Coupling Units	
	Transmitter Transfer	4.40
	Key System Page Access	2.60
	PABX Coupling Box	1.75
	Key System Coupling Box	1.45
	Two-Way Remote Amplifier	5.35

		Monthly Rate
f.	Microphones Microphone, Paging-w/Switch Microphone, Close Talking Microphone, Hand Held Shock	\$ 2.80 2.80
	Resistant Microphone, Paging w/stand	2.80 3.05
g.	Preamplifiers Microphone Preamp - Model J402SW421 Microphone Desk Stand w/preamp Preamp, General Purpose-Surface	2.70 2.35 2.65
h.	Output Control and Channelization Devices Individual Speaker-Volume Control Group Speaker-Volume Control Channel Selector Voice, 10 Channel	1.10 2.00 5.15
i.	Other Executone Sound System Accessories Footswitch Antenna AM/FM Telephone Coupling Unit Sound Rack w/options Paging Adapter Model 9A675 Page Replay All Page Relay Supervisory Relay J689542 Horn, 10 Watt - Model 5C35 Tone Assemply, Plug In - Model AA3648	0.90 2.10 1.00 62.00 3.60 3.35 2.70 1.65 3.75
j.	Power Supply Equipment Power Supply Model M217	3.20
k.	Paging Handset Equipment Paging Handset - Surface	4.80
1.	Tuners FM/AM - Model 452 FM/AM Amplifier Model 442	7.20 12.00

	Monthly Rate
m. Master Station Equipment	
Master Station - One Staff Station	\$ 3.60
Master Station - Six Staff Stations, Model 706DKK	4.80
Master Station - Ten Staff Stations,	
Model 710DKK Master Station - Six Staff Stations,	6.00
Model 606D	3.20
Master Station - Model 111AD	8.80
Master Station - Model 11ADH Master Station - Model 121AD	10.80
Master Station - Model 121ADH	12.15 14.50
Master Station - Model 610AD	3.60
Control Station - 10 Stations	3.60
Control Station - 10 Stations w/Handset	5.50
Booster Amplifier	3.95
n. Staff Station Equipment Staff Station - Model 81	1.45
Staff Station - Wall	1.60
Staff Station - Model M60	1.20
Reply Station - Push-to-Talk	
Transmitter	1.80
Replay Station - Handset Central Amplifier	3.95 4.40
Staff Station - Model 11AL	2.35
Staff Station - Model 61LS1	1.75
Staff Station - Model 12ALS1	2.35
Staff Station - Model 60T	1.95
Staff Station, Weatherproof	5.00
Staff Station, Model 61LT	2.25
Staff Station, Model 12ALWl Staff Station - Model C1020	2.35 6.95
Staff Station - Model 81S	1.60
o. Trumpet Station Equipment	
o. Trumpet Station Equipment Trumpet Station - Miniature	1.75
p. Junction Boxes	
Junction Box - Model J34	1.55
Junction Box - Model J970-5 Junction Box - Model J252	4.95 1.25
Junction Box - Model J252 Junction Box - Model J970-5849	6.20
Junction Box - Model J374-5	4.55

q. Call Switch

4.	Call Switch	Monthly Rate
r.	Distribution Box - Amplifier	\$ 3.20
s.	Power Amplifier - DuKane	
	Amplifier - 30 Watt	6.40
	Amplifier - 100 Watt	9.15
t.	Speaker - DuKane Speaker, Model 7101 - Explosive	-
	Proof	6.75
	Speaker, Model D5C25	3.35
u.	Master Station - DuKane	
	Master Station - Model 4A30B	3.20
	Master Station - Model 4A50B	1.60
v.	Portable Speaker System (5A90)	3.60
	Paging Speaker	2.00
	Paging Adapter	5.15
	Paging Unit	21.55



T105.2 Feature Rates

T105.2.2 Rates and Charges

			Monthly Rate	
a.	Pickup, per telephone, per line, including an intercommunication line	\$	1.00	
b.	Holding: Per line equipped for holding (Not including an intercommunication line) Per telephone equipped for holding		1.60 1.15	
c.	Additional features Winking hold feature, per line		0.75	
d.	Intercommunication, per line		5.10	
e.	Cutoff of telephone, auxiliary head receiver, or bell per telephone equipped		0.65	
	NOTE: In lieu of a monthly rate, an ir	sta	llation	

NOTE: In lieu of a monthly rate, an installation charge of \$6.60 applies for a key telephone set equipped only with a turn button key for silencing the bell in the set. This charge applies in connection with new installations including moves to different buildings, but not to reconnections of left-in sets.

		nthly ate
f.	Exclusion per telephone equipped	\$ 0.85
g.	Signal Control Equipment Common equipped for combined line	
	and busy lamp operation, each 6 lines For combined line and busy lamp	3.65
	operation, per line For flashing lamp operation,	4.95
	each 6 lines	3.15
	Illumination: Key illumination on 4 or 6 button key	
	telephone	1.95

h. Dial Selective Intercommunicating equipment:

		Installation Charge	Monthly Rate
	Dial Station Selector, maximum of 9 stations Common Equipment for combined line and busy lamp operation: Per line Per station	\$ 4.65	1.95 1.15
	Dial Intercom System:		
	Provides for a single inter- communicating path, dial selective signaling and combined line and busy lamp operation	\$27.50	19.15
i.	Single Link System:		
	Pirst nine stations	27.50	37.05
	Additional stations beyond 9, each station		7.10
j.	Two Link System:		
	<pre>Pirst nine stations Additional stations beyond 9, each station</pre>	44.00	63.05 9.70
k.	Touch Calling Selective Inter- communicating Equipment Touch Call Intercom System: Provides for a single inter- communicating path, touch cal selective coded signaling and combined line and busy lamp operation		26.00
	Stations beyond 9 each		1.40
1.	Optional Peatures: Add on conference (Single Lin System)	ık	
	Each feature		2.65



m. Rey Telephone Package Rates

		Installation Charge	Monthly Rate
(1) (2) (3)			\$ 5.90 7.90
	Initial instrument (per system) with capacity of 12 station appearances, each		12.75
	Initial instrument (per system) with capacity of 24 station appearances, each		15.30
	Additional instrument (same system) with capacity of up to 24 station appearances, each		
(4) (5) (6) (7)	12 Button 18 Button 20 Button 30 Button	20.00	13.70 16.65 16.00 21.80
		Nonthly Rate	
(8)	System charges: includes equipment required for conline and busy lamp operations (each 6 lines) and flashing system (each 6 lines)	mbined ion	\$7.25
		Installation Charge	Monthly Rate
(10)	Optional Features: Automatic Exclusion, per line per telephone	\$ 7.15	\$ 3.00
	Toll restrictor unit, (line or station application), each	22.00	14.95

	Installation Charge	on Monthly Rate
Private Line Terminations into Key Systems: Equipped for pushbutton ringing:	\$ 7.15	\$ 3.65
Automatic Signing Units One-Way pushbutton ringing Two-Way pushbutton ringing Two-Way signaling		4.05 4.50 4.95
(11) Single Digit Dialing, per station		1.35
T105.3 Non-Expandable Key System		
T105.3.2 Rates		
		Monthly Rate
Key system with a capacity of 3 office or PABX station lines, capacity of 3 office of the capacity of 3 office of 5 office of	5 key	44.2.45
signaling		\$26.95
T105.4 Convenience Systems Using Self	-Contained	Key Telephone
T105.4.3 Rates and Charges		
	Monthly Rate	Installation Charge
Self-contained key telephone sets		

Two line pickup type, per instrument Rotary Dial \$ 2.35 Three line pickup and hold type, per instrument Rotary Dial 6.85 Touch Call Dial 7.35 Manual intercommunicating service, per line 4.50

	Monthly Rate	Installation Charge
Line Busy Visual Indication,	4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	
per system	\$ 4.00	

T105.5 Miscellaneous Service Equipment - Compatible with Rey Telephone Systems

T105.5.2 Contract and Non-Contract Items of Equipment

a. Contract Items:

Station Exclusion with Lamp Indication, each unit.

CONTRACT Level B	Rates \$ 0.80
MON CONTRACT Monthly Rate Installation Charge	2.15 17.60
Tone Pulse Converter Unit, each line equipped.	
CONTRACT Level B	2.60
NON CONTRACT Monthly Rate	9.40
Installation Charge	17.60

b. Non-Contract Items

(1) Conference and Bridging Service

(d) Rates:

	Monthly Rate	Installation Charge
- For use with up to 5 lines, each	\$ 5.50	\$ 27.50
- For use with up to 5 lines (provides audible and visual status of lines conferences), each	16.00	33.00

(2) Exclusion Service

	Monthly <u>Rate</u>
Group Exclusions	\$ 1.65
Line Exclusions	0.65
Executive Exclusion	0.65

T105.6 Secretarial Answering Key Equipment

T105.6.2 Rates

a.	Six line turret	\$13.55
	Ten line turret	16.30
	Twenty line turret	21.65

T105.7 Pushbutton 17A and Pushbutton 36 Telephone Systems

T105.7.3 Rates

- d. Pushbutton 36 Vintage 1976
 - (1) Common equipment, each system provides for up to 12 connected lines, 18 telephones, 4 intercommunicating paths

CONTRACT	Rates
Level B	\$ 29 . 55
NON CONTRACT	
Monthly Rate	130.50
Installation Charge	439.00

(2) Line equipment, per line

CONTRACT	
Level B	1.05
NON CONTRACT	
Monthly Rate	1.95

(4) Options - Pushbutton 36 Telephone System

Station Adder

CONTRACT	Rates	
Level B	\$ 2.40	
NON CONTRACT		
Monthly Rate	9.65	
•		

Common Equipment Expander

CONTRACT	
Level B	4.55
NON CONTRACT	
Monthly Rate	15.50

Line Adder

CONTRACT Level B	Rates \$ 0.60
NON CONTRACT Monthly Rate	1.90
Touch Call Adder	•
CONTRACT Level B	4.10
NON CONTRACT Monthly Rate	15.95
Music On Hold	20,00
CONTRACT	
Level B NON CONTRACT	1.25
Monthly Rate	2.65
Installation Charge	45.50
Paging Adapter	
CONTRACT Level B	.65
NON CONTRACT	
Monthly Rate	2.35
Add On Conference	
CONTRACT	
Level B	0.85
NON CONTRACT Monthly Rate	2.85
Off-Premises Intercom	
CONTRACT	1 75
Level B	1.75
Tie Line	
CONTRACT	
Level B	1.45
Call Announcer	
CONTRACT Level B	1.45

T105.8 Pushbutton 17A Telephone Systems - Vintage 1981

T105.8.3 Rates

a. Common Equipment with 2 Intercom Paths. Capacity for 7 lines and 18 stations.

	CONTRACT Level B	Rates \$ 21.30
	NON CONTRACT	-
	Monthly Rate	47.85
	Installation Charge	436.00
	Capacity for 7 lines and 27 stations	
	CONTRACT	
	Level B	25.35
	NON CONTRACT Monthly Rate	60.40
	Monthly Race	00,40
	Capacity for 15 lines and 36 stations	
	CONTRACT	
	Level B	32.75
	NON CONTRACT	
	Monthly Rate	87.70
b.	Line Equipment, per line	
	CONTRACT	
	Level B	1.05
	NÓN CONTRACT	
	Monthly Rate	1.95
	Installation Charge	9.25
c.	Key Telephone Sets	
	10 Button, 2 Intercom, 7 line	
	capacity (desk or wall)	
	CONTRACT	4 35
	Level B	4.35
	NON CONTRACT Monthly Rate	7.95
	Installation Charge	53.00
	Tim the season and it will be	

10 Button, above, with Handsfree Answerback (desk only)

.

CONTRACT Level B	Rates \$ 4.90
NON CONTRACT Monthly Rate Installation Charge	11.35 4 1.75
10 Button with Handsfree Answerback and Busy Station No. Display (maximum 26 appearances).	
CONTRACT Level B NON CONTRACT	8.15
Monthly Rate Installation Charge	16.40 39.75
10 Button with Busy Station No. Display (Maximum 26 appearances).	
CONTRACT Level B	7.80
NON CONTRACT Monthly Rate Installation Charge	14.45 39.75
20 Button, 2 to 4 Intercom, 15-17 line capacity	
CONTRACT Level B	8.70
NON CONTRACT Monthly Rate Installation Charge	16.50 51.00
20 Button, above, with 1 Handsfree Answerback	
CONTRACT Level B	9.15
NON CONTRACT Monthly Rate Installation Charge	19.35 51.00



9 Line Speakerphone with Handsfree Answerback

CONTRACT Level B NON CONTRACT Monthly Rate Installation Charge	Rates \$10.60 21.10 41.75
15 Line Speakerphone with Handsfree Answerback	
CONTRACT Level B NON CONTRACT Monthly Rate Installation Charge	9.60 26.60 51.00
d. Optional Features	
For 7x18 station system	
CONTRACT Level B NON CONTRACT Monthly Rate	3.05
For 7x27 station system	6.70
CONTRACT Level B NON CONTRACT Monthly Rate	3.55 7.95
For 15x36 station system	
CONTRACT Level B NON CONTRACT Monthly Rate Installation Charge	6.65 12.45 94.00
Music On Hold	
CONTRACT Level B NON CONTRACT Monthly Rate	0.70 1.45

Music On Hold Interface

CONTRACT Level B	Rates \$ 1.15
NON CONTRACT	¥ 4.45
Monthly Rate	2.50
Synthesized Music	
CÖNTRACT	
Level B	2.30
Attendant Stations	
For 7x18 station systems	
CONTRACT	
Level B	16.30
For 7x27 and 15x36 systems	
CONTRACT	
Level B	22.05
Intercom Expanders	
Third Intercom Path	
CONTRACT	
Level B	2.50
NON CONTRACT	5.45
Monthly Rate Installation Charge	33.25
-	33.23
Fourth Intercom Path	
CONTRACT	
Level B	2.15
NON-CONTRACT	
Monthly Rate	3.50
Installation Charge	33.25
Handsfree Answerback Adder	
CONTRACT	, 95
Level B NON-CONTRACT	1.75
Monthly Rate	4.35
Installation Charge	61.00



	2 0,0,2,0,10
Intercom Privacy - Touch Call	
CONTRACT Level B	<u>Rates</u> \$ 5.15
Electronic Chime Signal	¥ 3.23
-	
CONTRACT Level B	1.10
NON CONTRACT Monthly Rate	1.70
Power Pailure Transfer	
CONTRACT	
Level B	1.85
NON CONTRACT Monthly Rate	2.90
Installation Charge	19.50*
*Subject to \$22.00 charge if all total less than \$22.00. Pushbutton 10A Telephone Systems -	
Rates	
Common Equipment	
CONTRACT	Rates
Level B	\$11.35
NON CONTRACT Monthly Rate	20.20
Line Equipment	
CONTRACT	
Level B	4.00
NON CONTRACT	A 25
Monthly Rate Installation Charge	4.35 9.25
Optional Features Intercom (1 path), up to 18 stations. All Dial.	

CONTRACT Level B

T105.9

T105.9.3

a.

b.

c.

Level B 5.55

NON CONTRACT

Monthly Rate 8.15

Installation Charge 60.00



Intercom (1 path), up to 18 stations Touch Call/Mixed

CONTRACT	Rates
Level B NON CONTRACT	\$10.40
Monthly Rate	17.85
Installation Charge	60.00
<u> </u>	
Intercom Expansion Unit	
CONTRACT	
Level B	4.35
NON CONTRACT	
Monthly Rate	5.55
Installation Charge	55.00
Music On Rold, first 5 lines	
CONTRACT	
Level B	1.85
NON CONTRACT	
Monthly Rate	2.15
Installation Charge	20.00*
Company provided music source	
CONTRACT	
Level B	4.20
NON CONTRACT	

*Subject to \$22.00 charge if all charges on any order total less than \$22.00.

7.45

33.25

Lines beyond 5, Customer or Company provided music source, each.

NON CONTRACT	Rates
Monthly Rate	\$ 0.45

Auxiliary Paging Adapter

Monthly Rate

Installation Charge

CONTRACT	
Level B	4.75
NON CONTRACT	
Monthly Rate	6.90
Installation Charge	38.75

Power Failure Transfer

Level B

NON CONTRACT
Monthly Rate
Installation Charge

	CONTRACT Level B NON CONTRACT Monthly Rate Installation Charge	Rates \$ 1.95 3.50 84.00
T105.10	Ultracom II Telephone System - Vintage	
T105.10.3	Rates	
a.	Common Equipment - Package A	
	CONTRACT Level B NON CONTRACT Installation Charge	Rates \$ 31.90 250.00
	Package B	200000
	CONTRACT Level B NON CONTRACT	38.50
	Installation Charge	267.00
b.	Line Card	
	CONTRACT Level B	2.10
c.	Station Instrument Touch Call	
	CONTRACT Level B NON CONTRACT	3.75
_	Installation Charge	47.00
f.	Dial Station Selection	
	CONTRACT Level B	2.65
g.	Dial Station Selection Console Card	
	CONTRACT	

0.85

4.80 53.00



h. Expansion Cabinet

	CONTRACT Level B	Rates \$ 9.30
	NON CONTRACT Monthly Rate	28.15
i.	Intercom Link-A Card	
	CONTRACT	
ı	Level B	0.35
j.	Intercom Link-B Card	
	CONTRACT Level B	1.15
	NON CONTRACT	
	Monthly Rate Installation Charge	3.00 5.75
k.	Memory Dial	3.73
	Touch Call	
	Contract Level B	0.65
	Dial Pulse	
	CONTRACT Level B	0.45
1.	Toll Restriction	
	Touch Call	
	CONTRACT Level B	0.65
	LEVEL B	0,05
T105.11	Key Telephone Sets - Vintage 1981	
T105.11.2	Rates	
a.	6 Button	
	CONTRACT	
	Level B NON CONTRACT	3.10
	Monthly Rate	5.90
	Installation Charge	36.00



b.	10 button	
	CONTRACT Level B NON CONTRACT	**************************************
	Monthly Rate Installation Charge	7.90 30.00
c.	10 Button, Loud Speaking	
	CONTRACT Level B NON CONTRACT	5.60
	Monthly Rate Installation Charge	14.35 30.00
đ.	10 Button (for use with Handsfree Speaker Unit)	
	CONTRACT LEVEL B NON CONTRACT	5.90
	Monthly Rate Installation Charge	11.00 30.00
e.	10 Button with Busy Station Number Display	
	CONTRACT Level B	5.55
	NON CONTRACT Monthly Rate Installation Charge	11.65 40.00
f.	20 Button	
	CONTRACT Level B NON CONTRACT	6.10
	Monthly Rate Installation Charge	14.20 38.00
g.	20 Button, Loudspeaking	

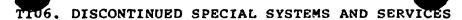
7.10 40.00

CONTRACT Level B Installation Charge

h. 20 Button

R.	20 Button	
	CONTRACT Level B NON CONTRACT Monthly Rate Installation Charge	Rates \$ 5.85 12.05 38.00
i.	20 Button with Busy Station Number Display	
	CONTRACT Level B Installation Charge	10.15 36.50
j.	30 Button	
	CONTRACT Level B NON CONTRACT Monthly Rate Installation Charge	7.40 22.15 49.00
k.	Handsfree Speaker Unit	
	CONTRACT Level B NON CONTRACT Monthly Rate Installation Charge	7.90 12.95 30.00
T105.15	Other Key System Equipment	
		Monthly Rate
	12 Button Key Adapter	\$14.85
	Busy Station Number Display	13.20
	17A Key System Common Equipment Touch Call	62.80
	17A Key System Common Equipment	53.25
	17A PM Music-on-Hold	6.25
	17A FM Music-on-Hold, Level B	4.00
	17A Key System Synthesized Music- on-Hold	4.85

	Monthly Rate
17A Key System Central Line Eqpt.	\$ 1.95
17A Key System 10 Button Station	10.45
ITT K36 Key System Common Equipment	28.60
ITT K36 Dial Intercom-4 link, 12 station	50.05
ITT K36 Dial Intercom-Additional Beyond 12	2.55
ITT K36 Dial Intercom-4 link, 12 station Touch Call	59.35
ITTK36 Central Office Line Beyond 6	2.10
Key System Music-on-Hold	2.15



T106.1 Automatic Warning Equipment

T106.1.3 Rates and Charges

a. The rates and charges for Automatic Warning Equipment...

	<u> </u>	nstallation Charge	Monthly Rate
(1)	Automatic Warning Equipment including one (1) disc. \$	16.50	\$ 25.30
(2)	Each Additional disc	3.85	
(3)	Reverse Battery Supervisory Adapter	7.70	3.30
(4)	Relocation or Move of Automatic Warning Equipment and associ -ated equipment		
	On the same premises	7.70	
	To a different loca -tion not on the same premises	16.50	

T106.2 Series 291 Conference/Alerting System

T106.2.2 Rates and Charges - Series 291 Vintage 1980

Rates and charges specified for the Series 291 Conference/Alerting System....

a. Basic System Common Equipment, (capacity of 10 terminal line circuits)

NON CONTRACT	Rates
Monthly Rate	\$ 161.20
Installation Charge	1,352.00





TIU6. DISCONTINUED SPECIAL SYSTEMS AND SERVICES

 Expansion Shelf (capacity of 10 additional terminal line circuits), each

	NON CONTRACT Monthly Rate Installation Charge	Rates \$ 19.70 48.40
c.	Terminal Line Circuit, each	
	CONTRACT Level B NON CONTRACT Monthly Rate	1.85
	Installation Charge	12.10
		Monthly Rate
T106.3	Fire Emergency Reporting System Basic Unit	\$ 27.50

T107.1 Data Transmitting and Receiving Equipment and Teletypewriter Equipment

T107.1.2 Rates and Charges

The following charges apply to the facilities provided and are in addition to other rates and service charges as applicable:

a. Data Sets

		Installation Charge	Monthly Rate
(1)	100 Series Data Sets		
-	Suitable for conditioning signals at rates up to 75/150 bits per second Combined sending and receiving	\$ 25.00	\$ 50.25
	Suitable for conditioning signals up to 300 bits per second in sequence Combined sending and		
	receiving	25.00	44.95
	Originate and terminate	25.00	42.45
	Originate Only	142.00	25.75
	Answer Only	27.50	23.95
	For multiple data set arrangement - cabinet or shelf-mounted Answer only data, set, each	27.50	17.45
	Cabinets for mounting shelfs		
	For one 7" mounting shelf	66.00	13.70
	For eight 7" mounting shelf	37.40	23.25
	Mounting Shelf First Shelf (per Cabinet) e/w servi	≎e	
	panel and patch cord Additional Mounting	\$ 132.00	\$ 27.35
	Shelf, each	35.20	17.50

		Installation Charge	Monthly Rate
	Data Auxiliary Set or equivalent (e/w single - bantam plug)	\$ 27.50	\$ 3.00
(2)	200 Series Data Sets Suitable for conditioning signals at a rate of 2,000 bits per second in sequence Combined sending and	3	
	receiving Suitable for conditioning signals at 2,400 bits persecond in sequence Combined sending and		\$ 96.78
	receiving Suitable for conditioning signals at rates up to 1,200 bits per second in sequence - Combined sending and receiving		93.85
	Arranged from automati	55.00	30.60
	 Sending only, arranged for automatic answer Sending only, arranged for simultaneous 	55.00	21.30
	reverse signaling and automatic answer Suitable for conditionin signals at 4,800 bits pe second in sequence Combined sending and		52.40
	receiving	184.00	241.95

400 Series Data Sets

Suitable for simultaneously conditioning three singals, one from each of two groups of five possible signals and one from a group of four possible signals, at rates up to 20 such combinations per second

Sending \$ 25 Multiple data set arrange-	.00 \$	24.15
Multiple data set arrange-		
ments suitable to receive two signals, one from each of two groups of four possible signals at rates of up to 10 characters per second, with capability for terminal initiated referral and positive automatic call termination. Also suitable to transmit low speed frequency shift keyed data. Data Set (requires heat detector in cabinet), each 82	.50 15	56.20
Cabinet and Mounting for first group of up to four data sets		14.95
		1.00 2.60

(6) Change of Option Charges

For modification of an existing set or change from attended to unattended operation or vice-versa, not requiring replacement of the set or restriction of talk and dial features, an installation charge of \$27.50 applies. For the modification of an existing set, to change the speed capability, not requiring the replacement of the set, a charge equal to one-half the installation charge of the new service will apply. For modifications that require the replacement of the set, the regular installation charge of the new set applies.

b. Auxiliary Datatel Equipment

		Installation Charge	Monthly Rate
w t	uxiliary Equipment for use with Datetel data sets for the transmission and reception of data signals		
	Automatic calling unit - to automatically originate a call upon receipt of a signal from customer-	0	
	provided equipment -	\$ 50.00	\$ 58.95
	with answer tone detection	55.00	57.20
	Auxiliary Set - for use with 100 and 200 series datatel data sets as		
	required	None	4.30
c. Four-	Row Teletypewriter Station	Equipment	
		Installation Charge	Monthly Rate
(1)	33 Type Page Teletypewrite with Type Wheel	Charge	
(1)		<u>Charge</u>	
(1)	with Type Wheel	Charge	
(1)	with Type Wheel Automatic Sending and Receiving Miscellaneous Equipment	<u>Charge</u> r \$ 55.00	* 66.15
(1)	with Type Wheel Automatic Sending and Receiving Miscellaneous Equipment Tape Bin	Charge r \$ 55.00 16.50	\$ 66.15
(1)	with Type Wheel Automatic Sending and Receiving Miscellaneous Equipment Tape Bin Foot Control	Charge r \$ 55.00 16.50 7.15	\$ 66.15 1.75 1.35
(1)	with Type Wheel Automatic Sending and Receiving Miscellaneous Equipment Tape Bin Foot Control Reader Control	Charge r \$ 55.00 16.50 7.15 16.50	\$ 66.15
(1)	with Type Wheel Automatic Sending and Receiving Miscellaneous Equipment Tape Bin Foot Control Reader Control Transmitter-Distributor	Charge r \$ 55.00 16.50 7.15 16.50	\$ 66.15 1.75 1.35
(1)	with Type Wheel Automatic Sending and Receiving Miscellaneous Equipment Tape Bin Poot Control Reader Control Transmitter-Distributor Call-in, single chara	Charge r \$ 55.00 16.50 7.15 16.50	\$ 66.15 1.75 1.35 4.00
(1)	with Type Wheel Automatic Sending and Receiving Miscellaneous Equipment Tape Bin Foot Control Reader Control Transmitter-Distributor	Charge r \$ 55.00 16.50 7.15 16.50	\$ 66.15 1.75 1.35
(1)	with Type Wheel Automatic Sending and Receiving Miscellaneous Equipment Tape Bin Poot Control Reader Control Transmitter-Distributor Call-in, single chara	Charge r \$ 55.00 16.50 7.15 16.50 cter col 16.50	\$ 66.15 1.75 1.35 4.00
	with Type Wheel Automatic Sending and Receiving Miscellaneous Equipment Tape Bin Foot Control Reader Control Transmitter-Distributor Call-in, single chara requires reader control	Charge r \$ 55.00 16.50 7.15 16.50 cter col 16.50	\$ 66.15 1.75 1.35 4.00

T107.2 Data Equipment Service

T107.2.3 Rates

b. The following rates and charges shall apply to contracts as described in "Terms and Conditions", preceding.

T107. DISCONTINUED DATA EQUIPMENT

- (1) Per Call Maintenance Charges
 - Schedule 1 Maintenance performed during regular business hours.

Data Set (no Company-provided Terminal), per call: \$54.00

Company provided Terminal and Data Set, per call: \$ 81.00

Schedule 2 - Maintenance performed outside regular business hours

Data Set (no Company-provided terminal), per call: \$81.00

Company-provided Terminal and Data Set, per call: \$121.00

- (4) Telco Data Sets (Modems)
 - (a) Model D100 Data Set

 Flat Rate Maintenance, Monthly Rate \$17.25
 - (b) Model R212A Data Set

 Flat Rate Maintenance, Monthly Rate 21.25
- (5) Model 43 Teleprinter
 - (c) Receive Only Printer

 Flat Rate Maintenance, Monthly Rate 35.50
 - (f) KSR-Buffered

 Flat Rate Maintenance, Monthly Rate 43.05
 - (g) Additional Memory (16K)

 Flat Rate Maintenance, Monthly Rate 5.90
- (6) Model 30 Teleprinter Equipment
 - (c) Sending and Receiving Teleprinter

 Flat Rate Maintenance, Monthly Rate 43.40
 - (d) Key Sending and Receiving Teleprinter

 Flat Rate Maintenance, Monthly Rate 46.35

T107. DISCONTINUED DATA EQUIPMENT (f) Magnetic Tape Accessory (Single) Plat Rate Maintenance, Monthly Rate \$19.10 (g) Magnetic Tape Accessory (Dual) Flat Rate Maintenance, Monthly Rate 26.25 (i) Vertical Tab (PC Card) Flat Rate Maintenance, Monthly Rate 1.95 (o) Automatic Answerback Plat Rate Maintenance, Monthly Rate 1.20 (7) Model 200 Teleprinter (f) Reyboard Send/Receive Flat Rate Maintenance, Monthly Rate 59.00 (h) Memory Control Flat Rate Maintenance, Monthly Rate 4.20 (8) Model A 100 CRT Terminal (c) Cathode Ray Tube Terminal (CRT) Flat Rate Maintenance, Monthly Rate 24.35 (9) Model A 200 CRT Terminal (c) Cathode Ray Tube Terminal (CRT) Flat Rate Maintenance, Monthly Rate 26.60 (11) Model 40 Terminal Equipment (f) Keyboard and Display Flat Rate Maintenance, Monthly Rate 51.80 (k) Expanded Storage

Total of 72 x 80 character storage

Plat Rate Maintenance, Monthly Rate

3.45

T107. DISCONTINUED DATA EQUIPMENT

	(n)	72 x 80 character storage
		Flat Rate Maintenance, Monthly Rate \$ 3.75
	(p)	Peature Package
		Flat Rate Maintenance, Monthly Rate 3.40
	(r)	Attendant "2 Position" switch to select desired transmission characteristics
		Flat Rate Maintenance, Monthly Rate 1.90
	(v)	Data terminal switch to allow the connection of multiple EIA terminals to a Company-provided data set.
		Flat Rate Maintenance, Monthly Rate 3.75
	(z)	Printer
		Flat Rate Maintenance, Monthly Rate 53.00
ř	Data	Equipment

T107.3 Other Data Equipment

		Monthly
		Rate
	·	
a.	Data Sets	
	108DSCL	\$ 13.50
	202C5/202C9	55.00
	Auxiliary Set 828C	26.60
	Data Equipment Touch Call Adapter Pad	2.00
	202C6/202C10	66.00
	202DWI	66.45
	202T Without Reverse Channel	19.55
	202T With Reverse Channel	31.10
	401 H3	12.65
	401A	9.65
	697A	20.00
b.	Monthly Maintenance	
	Modem Gandolf 309	18.85
	Modem Gandolf 404B	24.65
c.	Company provided instrument used	
•	with Customer Provided Data Set	5.80
d.	Teletypewriters	
	Automatic Alternate Service Arrangement	8.30
	Teletypewriter Equipment	1.10



DISCONTINUED TELEPHONE SETS AND ADJUNCTS

T108.2 Feature Telephone Sets

T108.2.1 Monthly Lease and Direct Sale

c. Monthly Lease Rates and Charges

			Monthly Rate
	(2) Station Sets		
	Standard with Message Waiting Lamp Rotary Dial, each		\$ 1.75
	Chest or Cradlephone Touch Call Dial, each		5.85
	Candlestick Rotary Dial, each		3.55
T108.2.2	Transaction II Telephone		
b.	Rates and Charges		
		Installation Charge	Monthly Rate
	Transaction II Telephone, each	\$ 71.50	\$ 61.45
T108.2.3	Loud-Speaking Telephones		
b.	Rates and Charges		
	Speakerphones: Single Line 9 Line 15 Line	22.00 44.00	14.35 20.40
	Key Telephones - for use with Speaker Units shown below: 10 Button Telephone		
	Rotary Touch Call	33.00 33.00	9.65 11.30
	20 Button Telephone	38.00	16.00
	Speaker Units: Handsfree 2 Handsfree 3	16.50 16.50	11.95 6.15



T108.2.4 Outdoor Telephone Sets

b. Rates and Charges

			Monthly Rate
	Outdoor Set		
	Rotary Dial, each Touch Call Dial, each		\$ 9.90 10.45
T108.2.5	Explosive Atmosphere Telephone	Equipment	
ь.	Rates and Charges		
		Installation Charge	Monthly Rate
	Explosive atmosphere telephone sets, each	\$ 13.20	\$ 16.40
	Explosive atmosphere telephone auxiliary signals, each	11.00	10.85
T108.3	Automatic Dialing Equipment		
T108.3.1	Card Dialer		
e.	Rates		

		R	ate_
(1)	Card Dialer, Single Line and Six Key Set		
	Rotary Dial, each	\$	7.00
(2)	Additional dialing cards, per set of 20, are furnishe at the one time charge of \$3.00 per set	đ	

Monthly

T108.3.2 Electronic 32 Number Dialer

h. Rates and Charges



8. DISCONTINUED TELEPHONE SETS AND ADJUNCTS

		Installation Charge	Monthly Rate
	Electronic 32 Number Dialer, each	\$ 22.00	\$ 8.90
T108.3.3	Magicall Electronic Dialer		
c.	Rates		
	(1) Magicall unit, capacity 400 listings	16.50	15.20
	(2) Magicall unit, capacity 1,000 listings	27.50	16.50
	(3) Replacement cartridge capacity 400 listings	16.50	
	- capacity 1,000 listings	27.50	
T108.3.4	Other Automatic Dialers		
			Monthly Rate
	43A For Interstate Computer Syst 43A One Number Dialer	tem	\$ 5.70 6.05
T108.4	Automatic Answering and Recording	ng Equipment	
108.4.2	Rates and Charges		
		Installation Charge	Monthly Rate
а.	Answering and Recording - E/W one (1) pre-cut answering disc, one (1) special answering disc and one spool of magnetic recording wire with a capacity of approximately one hour.	\$ 16.50	\$ 24.35
b.	Answering and Recording (SP) - E/W a microphone and a reusable magnetic answering drum for answering and recording up to twelve messages of 15 second duration.	16.50	19.00



DISCONTINUED TELEPHONE SETS AND ADJUNCTS

		Installation Charge	Monthly Rate
c.	Answering and Recording (LP) - E/W a microphone, a magnetic tape cartridge for preparing answering messages, a spool of magnetic recording tape with a capacity of up to two hours, an alarm timer, a voice control feature and a talk down feature		\$ 43.35
đ.	Answering and Recording (REP) - E/W a microphone, a magnetic tape cartridge for preparing answering messages, a spool of magnetic recording tape with a capacity of 120 thirty second messages, remote callback and tone oscillator.	16.50	48.70
e.	Answering and Recording (MP) - E/W a Dial-In-Handset Telephone, a tape cartridge for customer recording of answering message, and a reusable magnetic answering tape for recording 15 messages or 30 seconds duration		
	Rotary Dial, each Touch Call Dial, each	27.50 27.50	16.50 17.05
f.	Automatic Telephone		
	Rotary Dial, each Touch Call, each	27.50 27.50	16.50 17.05
g.	Answer only E/W microphone and a tape cartridge for customer recording of answering message.	16.50	18.05
	Answer only E/W standard recording disc for answering message and including one (1) answering disc.	16.50	16.10
h.	Optional Equipment (as appropriate for the type of basic equipment provided)		



DISCONTINUED TELEPHONE SETS AND ADJUNCTS

		Installation Charge	Monthly Rate
	Earset to be used when transcribing playback		\$ 0.95
T108.5	Mobile Telephone Equipment		
T108.5.1	General		
b.	Rates and Charges		
	(1) Primary Equipment on Mobile Units		
	Mobile telephone set (standard), equipped with all channels of its system at its base station of registry	\$ 99.00	60.50
	Deluxe mobile telephone set, equipped same as the above plus deluxe control head features	99.00	99.00
	Each channel of a for- eign base station	11.00	3.30
	Extension mobile set, equipped with the same channels as the initial mobile set.		
	 located in a different vehicle as the initial set, 		
	Standard set, each	99.00	60.50
	 located in the same vehicle as the initial set (Standard Only), each 	55.00	9.90

(2) The foregoing installation charges plus appropriate service charges apply when such equipment is changed or moved from one mobile unit to another except that where complete cabling suitable for the desired service is in place in the mobile unit, an installation charge of \$33.00 per set applies.



(3) Supplemental Equipment and Miscellaneous Charges

	Installation Charge	Monthly Rate
Relay control equipment for an auxiliary horn signal, each	\$ 22.00	\$ 1.95



	1109. DISCONTINUED MISCELLANEOUS EQUIPMENT	
T109.1	Auxiliary Telephone Set Equipment	
T109.1.1	Confidencer - Anti-Noise Unit	
b.	Rates and Charges	
		Monthly Rate
	Confidencer, each, per month	\$ 0.95
T109.1.2	Press-to-talk Handsets	
a.	Handsets equipped with a pushbutton to cu transmitter and thereby reduce room noise furnished in connection with any type of se monthly rate of \$4.50 each in addition to charges regularly applicable.	s will be rvice at a
T109.1.3	Speech Amplifier Equipment	
b.	Rates	
		Monthly Rate
	Sound Booster Handset Handset Speech Amplified	\$ 1.40 3.30
T109.1.4	Portable Communications Terminal	
b.	Rates	
	Portable Communications Terminal	22.10
T109.1.5	Personal Signaling Receivers	
	Tone only (single address), each Tone only (dual address), each Tone and Voice (single address),	12.65 15.95
	each	15.70
T109.2	Signaling Equipment	
T109.2.1	Signal Equipment (operated by ringing current):	
a.	Extension Bells	

1.80

3 Inch Type-Business, each -Residence, each



							nthly ate
	6 Inch Type-Business, Residence, each	or				\$	2.25
b.	Bell Chime						
	Bell Chime Limited to two party services on Business or Residen	ly,					2.25
T109.2.2	Signal Equipment (ope	rated	рÀ	commercial	pow	er):	
b.	The following rates service charges:	are	in	addition	to	appro	opriate
				Per Moi	nth		
			doo	_		Outdo	
		<u>Lo</u>	cat	ions		Local	tions
	Control equipment for continuous or non-continuous signals associated with a telephone						
	line	\$	3.6	5		\$ 3.0	65
	For each signal: Six inch gongs		2.2	5		2.	70
	Ten inch gongs		3.1	5		4.9	50
	Horns		3.1	5		4.0	05
	Lamps Chimes		1.8			2.	25
T9.2.3	Pushbutton and Buzzer						
b.	Rates					Monti Rate	_
	Pushbuttons, each, pe Buzzers, each, per mo		:h			\$ 0.9	

T109.3 Auxiliary Systems

T109.3.1 Voice Paging Equipment

c. Rates and Charges

(3) Page Pac

Page Pac - 10 Watt

	CONTRACT Level B	Rates \$ 9.35
	NON CONTRACT	4 9.33
	Monthly Rate	26 00
	monthly kate	26.90
	Page Pac - 50 Watt	
	CONTRACT	
	Level B	9.85
	NON CONTRACT	3.03
	Monthly Rate	29.50
	Honchiy Race	29.30
	Page Pac - 100 Watt	
	CONTRACT	
	Level B	11.05
	rever p	11.05
	Page Pac - 200 Watt	
	CONTRACT	
	Level B	11 05
	Devel B	11.95
(4)	Amplicenter Arrangements	
	Amplicenter - 10 Watt	
	CONTRACT	
	Level B	7.20
		7.20
	NON CONTRACT	
	Monthly Rate	17.70
	Aplicenter - 50 Watt	
	CONTRACT	
	Level B	7.60
	NON CONTRACT	,,,,
	Monthly Rate	20.25
	non-unay naco	20.23
	Amplicenter - 100 Watt	
	CONTRACT	
	Level B	8.20
		0,20



(5) Speakers:

Horn - 15 Watt

CONTRACT Level B	Rates \$ 1.15
Horn - 4 Watt	
CONTRACT Level B	1.15
Horn - 15 Watt	
CONTRACT Level B	1.10
Horn - 30 Watt	
CONTRACT Level B	1.20
Horn - 30 Watt	
CONTRACT Level B	1.25
Horn - 30 Watt	
CONTRACT Level B	1.45
Ceiling (Square)	
-Enclosure Non-Recurring charge either Contract or Non-Contract	of \$25.30 applies to systems
Ceiling w/Rit	
-Enclosure Non-recurring charge either Contract or Non-Contract	of \$11.25 applies to systems
Ceiling (White)	
CONTRACT Level B	Rates \$ 0.90
Directional - Wall	
CONTRACT Level B	1.15

Wall (Walnut)

	CONTRACT Level B	Rates \$ 0.90
	Corner (Walnut)	
	CONTRACT Level B	1.05
(6)	Optional Equipment for Paging Systems	
	FM Tuner	
	CONTRACT Level B	2.20
	NON_CONTRACT	2.20
	Monthly Rate	4.30
	Talkback Control Unit	
	CONTRACT	
	Level B NON CONTRACT	5.50
	Monthly Rate	17.45
	Master Zone Card	
	(All Call plus 4 Zones)	
	CONTRACT	
	Level B	2.65
	Auxiliary Zone Card	
	(each Card adds 4 Zones)	
	CONTRACT	
	Level B	2.25
	Auxiliary Zone Card (Type 3)	
	CONTRACT	
	Level B NON CONTRACT	2.40
	Monthly Rate	5.45
	Applique Card - Type B	
	CONTRACT	
	Level B NON CONTRACT	2.30
	Monthly Rate	4.55

Applique Card - Type C

CONTRACT Level B	Rates \$ 4.15
NON CONTRACT Monthly Rate	14.35
Applique Card - Type D	
CONTRACT Level B	2.65
Attenuator	
CONTRACT Level B	0.25
Microphone BG	
CONTRACT Level B NON CONTRACT	0.70
Monthly Rate	4.60
Paging Adapter	
CONTRACT Level B NON CONTRACT	4.10
Monthly Rate	6.90

(7) Wiring

On installations requiring wiring in excess of 150 feet per speaker, the additional wiring will be billed at \$0.22 per foot (non-recurring).

T109.3.2 Call Diverting Service

c. Rates and Charges

	Installation Charge	Monthly Rate
With Recorded Announcement Feature	\$27.50	\$31.70
Without Recorded Announcement Feature	27.50	18.80
Ring through Feature	16.50	3.85

T109.4 Connecting Arrangements

T109.4.2 For Use With Data Terminal Equipment

a. Rates and Charges

		Installation Charge	Monthly Rate
	Data Access Arrangements:		
	(1) For connection of customer- provided data transmitting and/or receiving equipment (CDT), each arrangement	\$11.00	\$ 3.65
	for manual operation (2) Arrangement for unattended sending and receiving through a voltage type control interface (CBS),		
	each (3) Arrangement for unattended sending and receiving through a contact closure type control interface	11.00	16.25
	(CBT), each (4) Power Supply for use with CBT contact closure type interface when not supplied by customer (CBV), each	11.00	11.70 2.25
T109.4.3	•	producing and	Automatic
a.	Rates and Charges		
		Installation Charge	Monthly Rate
	Recording of Two-Way Conversations		
	(1) Recorder Connector Equipmen	it	
	With an automatic recorder tone device for permanent installation		\$ 7.25
	(2) Jack for temporary recorder connector equipment	\$27 . 50	

		Installation Charge	Monthly Rate
	(3) Without an automatic record tone device (for use with private line service which has no connection with ex- change or toll system)	er	\$ 5.40
	(4) With the Tone Signal Filter (automatic recorder tone is eliminated on the recorder side of the recorder)		10.85
	(5) With Call Duration Timing		
	(6) Recording Of Incoming Messages Only (Recorder Tone Not Required) Recorder Coupler Equipment		10.85
T109.4.4	For use with Alarm Detection and Reporting Equipment		8.15
a.	Rates and Charges		
	Voice connecting arrangement which permits dial pulse dialing and a one-way out-going transmission for use with customer-provided alarm signaling device, each	\$22.00	6.80
T109.4.5	For use with Voice Transmi Terminal Equipment	itting and/or	Receiving
a.	Rates and Charges		
		Installation Charge	Monthly Rate
	(1) Voice connecting arrangement which provides trunk level access, e.g., dial "7", from a station on a Telephone Company PBX or Centre system to customer-provided equipment each	e x	\$14.70

		Installation Charge	Monthly Rate
(3)	Connecting Arrangement (includes switchhook control key), each	\$ 7.15	\$ 0.90
(4)	Voice connecting arrange- ment for automatic connection of customer- provided terminal equip- ment to a WATS access line, a Central Office station line, or a PBX/ Centrex extension line. Per line equipped	13.20	12.50
(5)	Voice connecting arrangement to provide for connection of customer-provided answer-only terminal equipment. - Per line equipped where two-way transmission is required	22.00	10.85
(6)	Voice connecting arrange- ment to provide for auto- matic connection of customer-provided terminal equipment (i.e., telephone sets) - Per line equipped	27.50	12.40
(7)	Voice connecting arrangement to automatically connect customer-provided voice terminal equipment (typically, Key Telephone Systems) with Telephone Company facilities.		
	Common Equipment Capacity of eight (8) Couplers Each Line Arranged	66.00 22.00	18.05 8.60



Installation	Monthly
Charge	Rate

T109.4.6 For use with Communications Systems

a. Rates and Charges

(1) Arrangement to permit connection of customerprovided and maintained switching equipment to an exchange trunk line or a WATS line -Each automatic voice connecting arrangement provided in connection with outward service from the customer-provided dial switching equipment.

\$11.30

- (2) Arrangement to permit connection of customerprovided and maintained switching equipment and attendant positions to an exchange trunk line.
 - Each automatic voice connecting arrangement provided in connection with two-way service to and from the attendant position and outward only from the switching equipment.

12.65

- (3) Arrangement to permit the connection of a customer-provided and maintained system to the Telephone Company toll switchboard.
 - Per automatic arrangement provided in connection with outward service.

\$ 16.50 11.00

(4) Arrangement to permit connection of customerprovided dial switching equipment to a two-way tie trunk.

		Installation Charge	Monthly Rate
	- Each automatic voice connecting arrangement providing two-wire interface to customer-provided dial switching equipment (Telephone Company provided channel signaling with a contact signaling interface)		\$15.7 5
	- Each automatic voice connecting arrangement arranged for two-way service, which provides a four-wire voice transmission interface to customer-provided equipment - used with a Telephone Company provided four-wire private line channel equipped with Telephone Company provided channel signaling with a contact-type signaling interface.	g \$ 55.00	\$18.40
(5)	Arrangement to provide power to Telephone Company voice connecting arrangements associated with customer-provided communication system	\$ 33.00	210.40
	- Each system arranged	27.50	11.55
T109.4.6.6	Other Connecting Arrangemen	its	do 4 5 5
			<u>Rate</u>
a. b. c.	GTS Coupler SQ6AO Coupler STCLS Coupler		\$ 4.95 9.45 4.85



T109.5 Wiring Plans

T109.5.3 Plan Description and Monthly Charges

Plan No.	Plan Features	Monthly Rate
100	One Central Office or PBX Station Line Cut-off of stations by means of a switching key.	\$ 1.80
111	One Central Office of PBX Station Line Pick-up and hold of one line at one or more stations.	
	Intercommunicating line between stations. Buzzer circuit required but not included in plan charge. Secretarial feature.	4.05
150	One Central Office or PBX Station Line Cut-off of extension bell, lamp or auxiliary signal by means of a switching key.	1.80
200	Two Central Office or PBX Station Lines Pick-up and hold of two lines at one or more stations.	
	Secretarial feature	4.05
203	Two Central Office or PBX Station Lines Pick-up of two lines at one or more stations by means of a switching key.	1.80
204	Three Central Office or PBX Station Lines Pick-up of three lines at one or more stations by means of a switching key.	2.25
209	Three Central Office or PBX Station Lines Pick-up and hold of three lines at one or more stations.	4.95
400	Listening Feature A key located at any station connects another receiver to the line to enable a second person to listen in. Plan charge includes jack and plug equipment but excludes additional receiver.	2.25

Plan No.	Plan Peatures	Monthly Rate
404	Operator Headset A special key and jack permits an operator handset to be used on an individual line or PBX station line. Plan charge includes a standard operator headset.	\$ 8.15
415	Headset Applique Unit A special rotary key and jack attached to a desk model telephone permits selective headset or handset operation. The key is used for switching from headset to handset operation. Plan includes a standard operator headset.	3.65
T109.6	Other Miscellaneous Equipment	
a.	Monitor Recorder	36.15
b.	Headsets	
	Transistorized 6 Wire Push to Talk MC 30/T-54HD	4.40 1.80
	Starset Plantronic With Coin Cord With Straight Cord Starset 0108-5B	4.50 4.50
	With Coil Cord	5.50
	With Straight Cord	5.50
c.	Operator Handset	2.05
đ.	Switching Reys	
-	Two-Way Cutoff Three-Way Coin Lever	1.35 1.65
e.	Leased Toll	2.05

T110.1 Local Exceptions

T110.1.1 Special Key System - Communication Arrangement For FAA Bluegrass Field, Lexington, Kentucky

b. Rates and Charges

		Monthly <u>Rate</u>
(1)	Equipment	
	Common Equipment Arranged for termination of six 4-wire private lines, six radio access lines, and one automatic 2-way ring down circuit (Hot Line)	\$412.50
	Position Arrangements Dial, 36-key, speaker modules plus a student/instructor jack panel. Suitable for mounting in a customer- provided console. Capacity for up to 12 position arrangements, each arrange-	
	ment	165.00

Monthly Installation Rate Charge Desk Console 36-Key Desk Console, each \$88.00 None Hand Microphone, each 4.95 \$22.00 Push-to-Talk Headset, each 6.60 16.50 Push-to-Talk Handset, each 3.05 5.50 Foot Pedal, each 2.20 5.50 Emergency (Standby) Power, System 67.10 None

T110.1.2	GTD-1000 -
	For Oakwood Mental Hospital,
	Somerset, Kentucky

	Somerset, Kentucky	
т110.1.3	Contract Level B Com-DEV Call Quest, For Island Creek Coal, Lexington, Kentucky	<u>Rates</u> \$607.85
	Contract Level B	179.30
T110.1.4	PBX Equipment - For IBM Corporation, Lexington, Kentucky	
		Monthly Rates
	Night Answer Turret	\$ 118.90
	Automatic Call Transfer 100 lines Additional Call Transfer	258.50
	over 100 lines	2.60
	120 Line Telephone	86.60 8.10
	Amplifier Elevator Telephone	7.90
т110.1.5	Centrex Services For IBM Corporation, Lexington, Kentucky	
	Message Svc. Position	
	for first 1,000 lines Transfer of Outgoing	330.00
	Trunks, per line Data Port Restrictor	0.30
	Panel	1,309.00
	Data Ports Reserved	17.95
	Data Ports In-service Touch Call 900 Lines	23.25 163.65
	Traffic Metering System	159.50
•	Traffic Metering Terminal	46.20
	WATS Timed Release Delay	969.10
	Attendant Access Trunk	3.60
	Attendant WATS Trunks	3.60

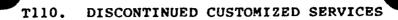
		Monthly Rate
T110.1.6	Data Equipment - For IBM Corporation, Lexington, Kentucky	
	Cabinet Housing for 20 or less 113B Data Sets	\$ 7.30
	113B Common Equipmert for 20 or less Multiple Data Sets	99.15
T110.1.7	PBX Equipment - For Armo Steel, Ashland, Kentucky	
	Common Equipment	136.15
	Toll Restrictor	6.40
	Touch Call Equipment Basic Egpt. with one	190.75
	Storage Unit	10.60
	Second Storage Unit	3.95
	Third Storage Unit	3.95
	Dial-up Conference	12.10
T110.1.8	Standby Power Equipped with Ringing Generator - For Tennessee Gas Company, Catlettsburg, Kentucky	19.45
T110.1.9	48 Volt Power Unit -	
	For C&O Railroads, Russell, Kentucky	2.05
	Russell, Relicucky	2.03
T110.1.10	Automatic Call Suquencer -	
	For First Security,	112.20
	Lexington, Kentucky	112.20
T110.1.11	GTX 400 -	
	For Hyatt House,	
	Lexington, Kentucky	
	Basic Package	
	Contract	Rates
	Level B	\$850. 85

T110.1.12	Rey Equipment - For Hyatt House, Lexington, Kentucky	
	Contract Level B	Rates \$ 2.75
•	Key System Relay Rack to House up to Seven 13 Line Panels	
	Contract Level B	0.60
T110.1.13	Telephone Answering Service - For Shaws Answering Service, Lexington, Kentucky	
	2 T	Monthly Rates
	Remcomatic 1000 TAS	\$4,733.30
	Kemcomatic 1000	
	Concentrator (16x2) Add'l. Unit	48.20
T110.1.14	Mileage Charges	
	Whitney Farm, Lexington	
	Kentucky Almahurst Farm,	73.70
	Nicholasville, Kentucky	20.90
T110.1.15	PBX Touch Call Station -	
	For Ashland Oil,	
	Catlettsburg, Kentucky	0.55
T110.1.16	Centrex Services - For Ashland Oil,	
	Catlettsburg, Kentucky	
	Attendant Position	126.50
	Call Porwarding	0.25
	Call Trap Dial Call Pickup	85.25
	Up to 10 Stations	6.40
	Up to 7 Stations	4.50

		Monthly Rate
	Dial Up Conference Feature Package Group Number Hunting Touch Call Feature Toll Denial Turret Standby Power	\$123.50 2.70 0.07 0.13 41.80 31.90
T110.1.17	Information Switch Remote Access - For Ashland Oil, Lexington, Kentucky	
	Contract Level B	Rates \$1,159.35
T110.1.18	GTD-1000 - For Ashland Oil, Catlettsburg, Kentucky	
	Contract Level B	1,741.30
		Monthlý Rate
T110.1.19	Enterphone - For Continental Apartments, Lexington, Kentucky	\$ 204.05
T110.1.24	PBX Attendant Form Conference - For Department of Highways 8th District, Somerset, Kentucky	24.30
T110.1.25	Equipped for SC400 - For Campbell House Inn, Lexington, Kentucky	
	Standby-By Power Leased Telephones Hotel/ Motel	27.50 0.85
T110.1.26	Hotel, Motel and Hospital PABX Stations	
	Rotary Dial with Message Waiting	
	Contract Level B	Rates \$ 0.60

Touch Call with Message Waiting

	Contract Level B	Rates \$ 0.75
	Standard Rotary	
	Contract Level B	0.60
	Standard Touch Call	
	Contract Level B	0.70
T110.1.28	CBX Management Reporter System - For Herald Leader, Lexington, Kentucky	
		Monthly Rate
	Ploppy Disc Hardware Cabinet No. 1 Cabinet No. 2	\$43.05 14.50 4.60
T110.1.29	VSCBX Management Reporter System - Guess, Mattingly Attorneys	
	Cabinet No. 1 Cabinet No. 2 System	14.50 4.60 13.80
T110.1.31	University of Kentucky Service Exchange For University of Kentucky, Lexington, Kentucky	
	Single Line Rotary Telephone	
	Contract Level B	Rates \$ 0.55
	Single Line Touch Call Telephone	
	Contract Level B	0.55
		Monthly Rate
	Attendant Position Cable Connection CPE Cross Connect Arrangement	\$13.80 68.20



		Monthly Rate
T110.1.32	Cable Conditioning on 7 Cable Conductor Cirucits ~ For Square D Company, Lexington, Kentucky	\$ 5.70
T110.1.33	Automatic One Number Dialer with Telephone - For Howard Johnson, Lexington, Kentucky	5.70
т110.1.34	Centrex Main Station - MCX - For Transylvania College, Lexington, Kentucky	35.40